



Portfolio Managers



Stephen E. Grant

- Over 20 years of experience
- Fund manager since 1993
- MBA - Wharton
- BA - Stanford University



Jeffrey D. Geffen

- Over 25 years of experience
- Fund manager since 2001
- MBA - Adelphi University
- MA - Columbia University



Liane Rosenberg

- Over 20 years of experience
- Fund manager since 2012
- MBA - Fordham University
- BA - State University of New York at Albany

Asset Allocation Fund Overall Morningstar Rating



Among 328 Aggressive Allocation Funds (as of 6/30/14)

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.

Fund Facts

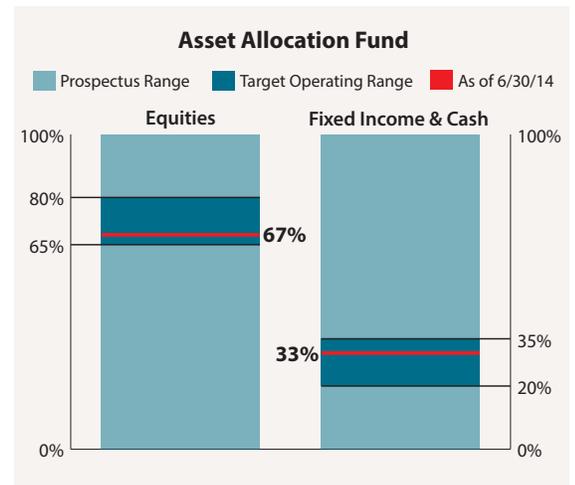
Symbol:	VLAAX
Total assets	\$246.2M
Inception date:	8/24/93

Portfolio Manager Q&A

Value Line Asset Allocation Fund (VLAAX)

Q1: The Fund has the flexibility to shift the allocation between stocks and bonds based on relative opportunity. What is the current mix between the two asset classes?

The Fund's portfolio contains a dynamic blend of stocks and bonds. The allocation between the two asset classes is based on the relative attractiveness as determined by our proprietary asset allocation model. In general, our equity allocation falls within an operating range between 65% and 80% of the Fund's overall assets. The fixed income component should be thought of as a byproduct of the equity allocation. Our cash position is not strategic in nature but represents the residual of not finding attractive stock or bond opportunities at any given point in time.



That being said, our asset allocation at the end of the second quarter remained approximately the same as the previous quarter. As of June 30, 2014, the portfolio held a 67% weighting in equities, 23% in fixed income and about 10% in cash.

With an equity position at the lower end of our operating range and a larger than normal cash holding, we currently have no strong conviction to either bonds or stocks. However, while the Fund's allocation mix hasn't shifted materially since Q1, we did take advantage of market dips to purchase stocks and as stocks rose in value, we pared back some of our holdings.

Q2: Would you please discuss the Fund's "steady-eddy" growth investing style?

There are various approaches to growth investing, including those strategies that emphasize aggressive growth or momentum stocks that tend to have greater bands of volatility. Instead, at Value Line Funds, we use our time-tested investment process to find "steady-eddy" growth stocks. These companies have demonstrated an ability to increase their earnings and stock prices consistently over at least the past 10 years. These stocks tend to have more predictable operating results, regardless of the economic environment. As a result, they generally have a lower risk profile as compared to either aggressive or momentum stocks.



Q3: Most asset allocation funds have a bias to holding large-cap stocks. Would you please discuss the Fund's equity allocation from a market cap perspective?

Most aggressive allocation funds are large-cap oriented. According to Morningstar data, the aggressive allocation category average had an equity weighting of nearly 73% in large-cap stocks with the remainder held in small- and mid-cap stocks as of June 30, 2014.

The Value Line Asset Allocation Fund's portfolio differs from the category average by having an equity weighting that is tilted to smaller companies. As of June 30, 2014, the Fund held nearly a 60% weighting in small- and mid-cap stocks and approximately only a 40% weighting in large-cap securities.

Over time, a larger commitment to faster growing smaller companies can have a meaningful impact on performance. The Fund has rewarded long-term oriented shareholders with overall "Above Average" performance relative to the Morningstar Aggressive Allocation Category for the 3, 5 and 10 year periods ended June 30, 2014 and did so with overall "Below Average" risk.

Performance (as of 6/30/14)

Average Annual Returns	1 Year	3 Year	5 Year	10 Year
Value Line Asset Allocation Fund (VLAAX)	15.76%	11.55%	14.70%	7.83%
60/40 (S&P 500/Barclays US Aggregate Bond)	16.23	11.88	13.26	4.67
Morningstar Aggressive Allocation Category Average	19.28	10.53	14.25	6.74
Morningstar Risk	n/a	Low	Low	Below Avg.
Morningstar Return	n/a	Above Avg.	Above Avg.	Above Avg.

Expense ratio: 1.19% (Gross) / 1.09%* (Net)

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, 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.

*For the period August 1, 2013 through July 31, 2014 EULAV Securities LLC (the "Distributor") contractually agreed to waive a portion of the Fund's Rule 12b-1 fee in an amount equal to 0.10% of the Fund's average daily net assets. The waiver cannot be terminated before July 31, 2014 without the approval of the Fund's Board of Directors. For various periods, the Distributor similarly waived a portion of the Fund's Rule 12b-1 fee. The Fund's performance would be lower in the absence of such waivers.

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 Asset Allocation Fund received 4 stars for the 3, 5 and 10 year periods ended 6/30/14 among 328, 291 and 181 Aggressive Allocation funds, respectively.

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 inception dates of Value Line Mutual Funds range from 1950 to 1993. Value Line Mutual Funds are distributed by EULAV Securities LLC. Past performance is no guarantee of future results.

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