



Overall Rating



(Investor)

Among 643 50-70% Equity Allocation Funds (as of 12/31/19)

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.

Portfolio Managers



Stephen E. Grant

- Over 25 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 2009
- MBA - Fordham University
- BA - State University of New York at Albany

Fund Facts

Symbol

Investor VLAAX
 Institutional VLAIX

Inception Date

Investor 8/24/93
 Institutional 11/1/15

Total Assets

\$1.03B
 (as of 12/31/19)

Portfolio Manager Q&A

Value Line Asset Allocation Fund (VLAAX/VLAIX)

Q1: Would you please comment on the Fund's 2019 performance among its peers in the Morningstar 50-70% Equity Allocation Funds category?

We are pleased that the Fund has outperformed the Morningstar 50-70% Equity Allocation category average in 2019 by over 600 basis points with a return of 25.40% versus 19.23% for the category average. The portfolio's strong performance ranks the Fund in the top 2% for performance out of 697 funds for the one-year period.

Impressively, the Fund has also achieved **top decile (10% or better) performance** among its Morningstar peers for the longer-term 3, 5, 10 and 15-year periods ended December 31, 2019 and is one of only four funds in the Morningstar category to do so.

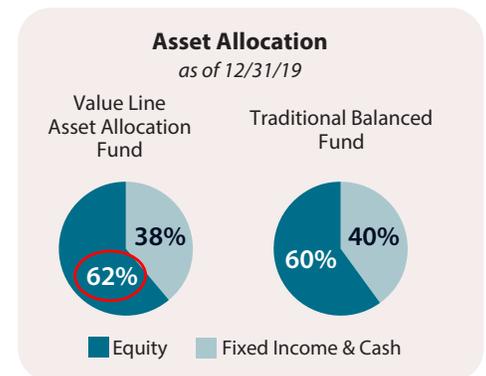
Q2: How has the Fund achieved this impressive long-term performance?

We believe this outperformance is due primarily to three factors:

- 1. Flexible Equity Allocation:** The Fund has the flexibility to dynamically adjust its allocation among stocks, bonds and cash based on relative opportunity.
- 2. Growth-Oriented Approach:** Our equity portfolio focuses on growth-oriented companies, unlike the majority of funds in the 50-70% Equity Allocation category, which tend to invest in value companies or include a blend of both value and growth holdings.
- 3. Stock Selection:** For the Fund's equity portion, we invest in companies along the market cap spectrum that have demonstrated 10+ years of consistent growth in both stock price and earnings.

Q3: Would you please comment on the Fund's current allocation?

As of December 31, 2019, the Fund held 62% in equities and 38% in high-quality fixed income and cash. Typically many balanced funds are statically tied to a weighting of 60% in equities and 40% in bonds and cash. We believe the Fund's flexibility to adjust its allocation between the equity and fixed income portion of the portfolio based on relative opportunity is a key differentiating factor.



Over the past year, we have adjusted the Fund's equity allocation, taking advantage of the decline in the stock market at the end of 2018, when we held about 69% in equities. We have reduced this allocation over the past several months as we have trimmed or sold positions that no longer met our strict criteria. We are also positioned well to purchase new additions to the portfolio and have a watch list of attractive companies that we are considering once the appropriate opportunity arises. In addition, we have cash ready to deploy and increase our allocation to existing holdings should a pullback in a specific security or broader market situation occur.

Value Line Asset Allocation Fund Performance (as of 12/31/19)

	Average Annual Returns				
	1 Year	3 Year	5 Year	10 Year	15 Year
Investor - VLAAX	25.40%	13.72%	9.47%	11.15%	8.04%
Institutional - VLAIX¹	25.71	13.99	9.70	11.26	8.11
60/40 S&P 500/BbgBarc US Agg. Bond Index	22.18	10.87	8.37	9.77	7.30
Morningstar 50-70% Equity Allocation Cat. Avg.	19.23	8.55	6.22	7.90	6.21
Percentile Rank in Morningstar Cat. - VLAAX	2	1	3	2	6
# of Funds in Category	697	643	570	420	279
Morningstar Return		High	High	High	
VLAAX Gross/Net Expense Ratio: 1.07%, VLAIX Gross/Net Expense Ratio: 0.82%					

Morningstar rates funds based on enhanced Morningstar risk-adjusted returns. Morningstar Ratings and Rankings based on Investor class shares.

¹Italics indicates Morningstar Extended Performance. Extended performance is an estimate based on the performance of the fund's oldest share class, adjusted for fees. The inception date of VLAIX is November 1, 2015.

As of 12/31/19, the Funds top 10 equity holdings were as follows: Fiserv Inc. 1.79%, Danaher Corp. 1.75%, Mastercard Inc. A 1.74%, Teledyne Technologies Inc. 1.67%, Accenture PLC Class A 1.60%, Automatic Data Processing Inc. 1.59%, Thermo Fisher Scientific Inc. 1.58%, Ansys Inc. 1.51%, United States Treasury Notes 1.48%, Ecolab Inc. 1.36%.

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.

The Morningstar Rating™ for funds, or "star rating" is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all three rating periods. The Fund received 5 stars for the 3-, 5-, and 10-year period ended 12/31/19, out of 643, 570 and 420 50-70% Equity 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.

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