



Overall Morningstar Rating



(Investor)
Among 588 Small Growth Funds
(as of 3/31/19)

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.



Stephen E. Grant

Portfolio Manager

Mr. Grant has been Portfolio Manager of the Value Line Small Cap Opportunities Fund since 1998 and has over 25 years of investment experience. Mr. Grant earned an MBA from Wharton and a BA from Stanford University.

Fund Facts

Symbol

Investor VLEOX
Institutional VLEIX

Inception Date

Investor 6/23/93
Institutional 11/1/15

Total Assets

\$450M
(as of 3/31/19)

Top 10 Holdings

(as of 3/31/19)

Company	Weight (%)
Teledyne Technologies, Inc.	3.17
The Toro Co.	2.97
Pool Corp.	2.81
Lennox International, Inc.	2.47
Fair Isaac Corp.	2.31
Chemed Corp.	2.28
AptarGroup, Inc.	2.26
Woodward, Inc.	2.16
RLI Corp.	2.11
LendingTree, Inc.	2.07

Portfolio Manager Q&A

Value Line Small Cap Opportunities Fund (VLEOX/VLEIX)

Q1: How did the Fund's performance compare to the Russell 2000 Index and the Morningstar Small Growth category in the first quarter of 2019?

The Fund increased 13.64% for the quarter ended March 31, 2019, while the benchmark Russell 2000 Index rose 14.58% for the quarter. Underperforming in any one quarter is a normal occurrence. In strong markets, the Fund tends to underperform due to its emphasis on long-term consistent growth in both stock price and earnings. Over longer time periods, we are pleased to note the Fund outperformed the Index for the 1, 3, 5 and 10 year periods ended March 31, 2019. The Fund also outperformed its peers in the Morningstar Small Growth Funds category for the 1, 5 and 10 year periods ended March 31, 2019.

Q2: What should investors consider when evaluating a small-cap investment?

While performance is important, it is imperative to consider the amount of risk to achieve that level of performance. As such, we believe it is critical for investors to take long-term risk adjusted performance into consideration. When we are considering a company for inclusion in the Fund, we look for a pattern of predictable and consistent growth in stock price and earnings over the long term to reduce price volatility.

With this long-term approach, our Fund has experienced better risk-adjusted returns than other small-cap growth funds. Using Sharpe Ratio, a measure of the return achieved relative to risk, the Fund ranks in the top 15% of its peers in the Morningstar Small Growth Funds category for the 5 and 10 year periods as of March 31, 2019. In addition the Fund has been awarded with Morningstar's lowest risk rating over numerous time periods as shown below.

"When we are considering a company for inclusion in the Fund, we look for a pattern of predictable and consistent growth in stock price and earnings."

Small Cap Opportunities Fund (VLEOX)	3 Year	5 Year	10 Year
Morningstar Risk Rating	Low	Low	Low
Sharpe Ratio Percentile Rank	Top 49%	Top 11%	Top 5%
# of Morningstar Small Growth Funds	200	190	162

Source: Morningstar

Q3: Would you please describe the types of companies that the Fund owns?

With our long-term, consistent growth criteria, we tend to own companies that have desirable products and services with competitive advantages and are less sensitive to business or economic conditions. Therefore the Fund has historically owned a higher percentage of companies in the Industrials sector compared to its peers in the Morningstar Small Growth Funds category. These companies have more predictable business models and include companies that provide heating and cooling services, lawn care products and manufacturing services. As of March 31, 2019, the Fund held a 28% weighting in Industrials compared to the Morningstar category average weight of 18%.

Value Line Small Cap Opportunities Fund Performance (as of 3/31/19)				
	Average Annual Returns			
	1 Year	3 Year	5 Year	10 Year
Investor - VLEOX	7.80	13.44	9.45	16.34
Institutional - VLEIX¹	8.09	13.73	9.65	16.45
Russell 2000 Index	2.05	12.92	7.05	15.36
Morningstar Small Growth Category Avg.	7.70	15.88	8.45	16.24
Percentile Rank in Morningstar Cat. - VLEOX	48	71	33	48
# of Funds in Category	679	588	522	392
Morningstar Risk		Low	Low	Low
VLEOX Gross / Net Expense Ratio: 1.21%, VLEIX Gross/Net Expense Ratio*: 1.01% / 0.96%				

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 VLEIX is November 1, 2015.

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.

*EULAV Asset Management (the "Adviser") and EULAV Securities LLC, the Fund's principal underwriter (the "Distributor"), have agreed to waive certain class-specific fees and/or pay certain class-specific expenses incurred by the Institutional Class so that the Institutional Class bears its class-specific fees and expenses at the same percentage of its average daily net assets as the Investor Class's class-specific fees and expenses (excluding 12b-1 fees and any extraordinary expenses incurred in different amounts by the classes) (the "Expense Limitation"). The Adviser and the Distributor may subsequently recover from assets attributable to the Institutional Class the reimbursed expenses and/or waived fees (the recoupment period is 3 years from the month in which the waiver/reimbursement occurred) to the extent that the Institutional Class's expense ratio is less than the Expense Limitation or, if lower, the expense limitation in effect when the waiver/reimbursement occurred. The Expense Limitation can be terminated or modified before June 30, 2019 only with the agreement of the Fund's board. The Fund's performance would be lower in the absence of such waivers.

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 three-year period actually has the greatest impact because it is included in all three rating periods. The Value Line Small Cap Opportunities Fund (Investor) received 3 stars for the 3-year period, 4 stars for the 5- and 10-year period ended 3/31/19, among 588, 522 and 392 Small Growth funds, respectively.

Past performance is no guarantee of future results. Value Line Mutual Funds are distributed by EULAV Securities LLC.

Value Line, Value Line Logo, Timeliness, Safety are trademarks or registered trademarks of Value Line Inc. and/or its affiliates in the United States and other countries. Used by permission.