



Overall  Rating



(Investor)

Among 658 Small 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 Small Cap Opportunities Fund since 1998 and has over 20 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

\$403M
(as of 3/31/16)

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

Company	Weight (%)
iShares Russell 2000 Growth	3.43
Lennox International, Inc.	2.71
Waste Connections, Inc.	2.23
Toro Co. (The)	2.14
Middleby Corp. (The)	2.12
Tyler Technologies, Inc.	2.00
RLI Corp.	1.96
Acuity Brands, Inc.	1.90
iShares Russell 2000	1.89
Casey's General Stores, Inc.	1.88

Portfolio Manager Q&A

Value Line Small Cap Opportunities Fund (VLEOX/VLEIX)

Q1: Many small-cap growth funds have seen double-digit losses over the past 12 months as of March 31, 2016. How has the Fund performed relative to its peers over the past quarter and one-year period?

While we are never pleased with negative absolute performance, the Fund performed quite well relative to similar funds during both periods. For the quarter and year ended March 31, 2016, the Fund outperformed the Morningstar Small Growth category average by more than 400 basis points and nearly 900 basis points, respectively. Additionally, the Fund outperformed its benchmark, the Russell 2000 Index, over the same time periods.

Given the increased volatility in the market over the past year, the outperformance is significant and due in part to the Fund's lower risk profile. For example, the Fund was one of only three funds in the Morningstar Small Growth Funds Category (out of 423 funds) to produce top quintile (20% or better) performance for the 1, 3, 5 and 10 year periods and hold Morningstar's Overall "Low" Risk Rating as of March 31, 2016.

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Q2: Smaller stocks tend to be more volatile than their larger counterparts. How does the Fund mitigate this inherent risk?

For the Value Line Small Cap Opportunities Fund, we take a conservative approach to smaller company investing. Leveraging the expertise of Value Line Research, we generally seek smaller companies with a track record of increasing earnings and stock price on a consistent basis over a 10-year period or longer.

This strict criteria for time-tested and consistent growth companies tends to eliminate many micro-cap stocks and more volatile, high-flying growth companies. The end result is generally a portfolio of small companies that:

- a)** have enviable products and services
- b)** have strong market share positions
- c)** tend to have a lower risk profile

Q3: Would you discuss what factors contributed to the Fund's relative outperformance to the Russell 2000 over the past year?

Both stock selection and sector allocation contributed to the Fund's outperformance. Over the 12-month period ended March 31, 2016, the best-performing sectors in the Russell

(Q3 continued)

2000 Index were Utilities and Consumer Staples; the worst performers in the Index were Energy and Materials. During the period, the Fund was overweighted in the best performing sectors and underweighted in the worst performing ones.

Additionally, the fund had a positive return in the Materials sector, while the benchmark suffered a large negative return. The Fund benefited from a 40% gain from Cytec Industries (CYT), which was acquired, as well as a 26% gain in Aptargroup, which continued to achieve strong operating performance. We believe this example is representative of our solid process in selecting quality companies with proven operating results, regardless of sector performance.

Value Line Small Cap Opportunities Fund Performance (as of 3/31/16)

	QTD	Average Annual Returns			
		1 Year	3 Year	5 Year	10 Year
Investor - VLEOX	-0.21%	-3.03%	9.56%	11.12%	6.75%
Institutional - VLEIX¹	-0.14%	-2.92%	9.60%	11.14%	6.76%
Russell 2000 Index	-1.52	-9.76	6.84	7.20	5.26
Morningstar Small Growth Category Avg.	-4.33	-11.66	6.34	6.48	5.38
Morningstar Category Rank (%) - VLEOX	--	6	10	3	17
# of Funds in Category	--	721	658	588	423
Morningstar Return			Above Avg.	High	Above Avg.
Morningstar Risk			Low	Low	Low
Gross Expense Ratio: 1.27% (VLEOX), 1.02% (VLEIX)					

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

¹Indicates 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.

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 Fund received 5 stars for the 3, 5 and 10 year periods ended 3/31/16 among 658, 588 and 423 small 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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