



## Value Line Funds Capture Industry Recognition

According to the Investment Company Institute, there were more than 650 mutual fund sponsors managing approximately \$11.6 trillion in assets via a total of nearly 8,700 mutual funds in the U.S. at year-end 2011 (latest data available).<sup>1</sup> Value Line Funds is a family of just nine open-end mutual funds with approximately \$2 billion in assets under management...and yet, it has captured some of the industry's top recognition.

### Four Value Line Equity/Hybrid Funds Earned 5 Stars from Morningstar

For the three-year period ended March 31, 2013, the Value Line Premier Growth Fund, Value Line Small Cap Opportunities Fund, Value Line Fund (Mid-Cap Growth Category), and Value Line Asset Allocation Fund (Aggressive Allocation Category) earned five stars by Morningstar, a rating reserved for only the top 10% of funds in any given Morningstar category. Morningstar rates mutual funds from one to five stars based on how well they have performed, after adjusting for risk and accounting for all sales charges, in comparison to similar funds. Funds with less than three years of history are not rated.

### Two Value Line Funds Named to U.S. News & World Report's Top Ten

The Value Line Small Cap Opportunities Fund and Value Line Premier Growth Fund earned top ten spots in U.S. News & World Report's Best Mutual Funds for the one-year period ended March 31, 2013 in the Mid-Cap Growth category. The U.S. News Mutual Fund Score offers a broad look at what some of the brightest minds conducting investment analysis have to say about more than 4,500 mutual funds using ratings from Morningstar, Lipper, Zacks, TheStreet.com and Standard & Poor's.

### Why are the Value Line Funds So Highly Regarded?

On the one hand, ratings are objective, based entirely on mathematical evaluations of past performance. They are a useful tool for identifying funds worthy of further search. On the other hand, for a comparatively small mutual fund family to garner such recognition may be considered quite remarkable. After all, the largest 25 mutual fund complexes in the U.S. manage 73% of total mutual fund assets<sup>1</sup>; the Value Line Funds manage far less than 1%. Why are the Value Line Funds so highly regarded? There are at least three key reasons.

#### 1 Exclusive Access to Value Line's Historic Research Process

Uniquely positioned among our mutual fund industry competitors, only the Value Line Funds have an exclusive relationship with Value Line's historic research process, enabling our portfolio managers to utilize the widely-acclaimed Value Line Ranking System as part of their portfolio stock selection and asset allocation process. For nearly 50 years, week in and week out, the Value Line Ranking System has identified groups of stocks that are relatively most attractive. We select from those stocks in building our portfolios. The Ranking System also identifies groups of stocks that are relatively less attractive, which are sold, as soon as practicable, as part of our sell discipline.

#### 2 Distinguished Portfolio Management Team

Value Line Funds are led by a team of talented and experienced portfolio managers that are responsible for investing our shareholders' assets according to each Fund's distinct objective. Each

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### Manager Insight with Stephen E. Grant



*"Our main strategy is that we invest in historically proven winners. And by that I mean companies that have established a strong track record*

*of consistent earnings growth and stock appreciation over the past 10 to 20 years. These are companies that have proven in the past that they have what it takes. And we believe that this puts the odds in our favor in investing in them for the future. Of course, these growth stocks are not immune from market dips and will temporarily fall in sympathy with the market. But these steady-eddy growth stocks tend to be resilient, and their stock prices have reflected the potential to grow regardless of the economic scenario. Controlling risk through investment in high quality companies is key to our strategy."*

*"What's interesting with the Value Line Funds I lead is that our process has changed very little over the past 20 years or so. We use the same basic methodology today as when I started, owning stocks with strong technical patterns and running the portfolios for growth with low turnover. With that said, it takes more history with any given stock today to convince us to own it; today's market dictates higher levels of scrutiny and more historical data to determine tomorrow's winners."*

*(Distinguished Portfolio Management Team - Continued)*

manager uses a highly disciplined process to guide their activities. For example, Stephen E. Grant has been a portfolio manager with the Value Line Funds since 1991. Over the past 20+ years, Mr. Grant's unique quantitative/behavioral methodology has driven the success of several equity and hybrid funds. This disciplined investment strategy concentrates on high-quality companies that have superior and consistent long-term records of growth in both earnings and stock prices. Wide diversification limits exposure to any single economic sector, and the resulting smaller-sized holdings also means that laggards can easily be replaced by stocks showing superior momentum. Mr. Grant currently manages funds with approximately \$1.3 billion in net assets.

### 3 Time-Tested Investment Strategy

Since 1950 Value Line has championed sound investment principles. We adhere to time-tested investment management approaches that are based on solid fundamentals and the power of disciplined and rigorous analytics. Our growth-oriented portfolios favor companies with a long track record of demonstrated results and our long-term orientation allows these companies to grow over time. We seek to provide investors with high quality portfolios that have the ability to provide above average performance with below average risk.

## A Snapshot of Select Value Line Funds

### Annualized Total Return as of 3/31/13 (based on risk-adjusted returns)

	1 Year	3 Year	5 Year	10 Year
<b>Premier Growth Fund</b>	<b>13.24%</b>	<b>15.82%</b>	<b>7.50%</b>	<b>11.33%</b>
Morningstar Mid-Cap Growth Cat. Avg.	10.40%	12.54%	6.62%	10.39%
Category Rank (%)	23	12	37	35
# of Funds in Category	714	645	564	417
Morningstar Risk	n/a	Low	Below Avg.	Below Avg.
Expense Ratio (Gross/Net) 1.25% / 1.25%				
<b>Small Cap Opportunities Fund</b>	<b>18.51%</b>	<b>17.28%</b>	<b>7.93%</b>	<b>10.97%</b>
Morningstar Mid-Cap Growth Cat. Avg.	10.40%	12.54%	6.62%	10.39%
Category Rank (%)	6	7	32	41
# of Funds in Category	714	645	564	417
Morningstar Risk	n/a	Below Avg.	Below Avg.	Below Avg.
Expense Ratio (Gross/Net) 1.25% / 1.25%				
<b>Value Line Fund</b>	<b>12.01%</b>	<b>15.78%</b>	<b>1.69%</b>	<b>5.27%</b>
Morningstar Mid-Cap Growth Cat. Avg.	10.40%	12.54%	6.62%	10.39%
Category Rank (%)	32	12	95	99
# of Funds in Category	714	645	564	417
Morningstar Risk	n/a	Low	Low	Below Avg.
Expense Ratio (Gross/Net*) 1.28% / 1.03%				
<b>Asset Allocation Fund</b>	<b>12.05%</b>	<b>13.60%</b>	<b>6.28%</b>	<b>8.93%</b>
Morningstar Aggressive Allocation Cat. Avg.	10.26%	8.46%	3.96%	7.71%
Category Rank (%)	20	1	3	14
# of Funds in Category	406	332	303	132
Morningstar Risk	n/a	Low	Low	Below Avg.
Expense Ratio (Gross/Net**) 1.34% / 1.24%				

Check out our News & Updates at [vlfunds.com](http://vlfunds.com) for the latest on the Value Line Funds.

<sup>1</sup> Investment Company Institute, 2012 Investment Company Fact Book, 52nd Edition.

For more mutual fund information, call today: 1.800.243.2729 or visit our website at [www.vlfunds.com](http://www.vlfunds.com)

The performance data quoted herein represents past performance and does not guarantee future results. Market volatility can dramatically impact a 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](http://vlfunds.com) or by calling 1-800-243-2729. 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 May 1, 2012 through June 30, 2013 EULAV Securities LLC (the "Distributor") contractually agreed to waive a portion of the Fund's Rule 12b-1 fee in an amount equal to 0.25% of the Fund's average daily net assets. The waiver cannot be terminated before June 30, 2013 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.

\*\* For the period August 1, 2012 through July 31, 2013 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, 2013 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 Premier Growth Fund received 5 stars for the 3-year period ended 3/31/13 among 645 Mid-Cap Growth funds and 4 stars for the 5-year, 10-year and Overall periods ended 3/31/13 among 564, 417 and 645 Mid-Cap Growth funds, respectively. The Value Line Small Cap Opportunities Fund received 5 stars for the 3-year period ended 3/31/13 among 645 Mid-Cap Growth funds and 4 stars, 3 stars and 4 stars, respectively, for the 5-year, 10-year and Overall periods ended 3/31/13 among 564, 417 and 645 Mid-Cap Growth funds, respectively. The Value Line Fund received 5 stars for the 3-year period ended 3/31/13 among 645 Mid-Cap Growth funds and 2 stars, 1 star and 2 stars, respectively, for the 5-year, 10-year and Overall periods ended 3/31/13 among 564, 417 and 645 Mid-Cap Growth funds, respectively. The Value Line Asset Allocation Fund received 5 stars for the 3-year period ended 3/31/13 among 332 Aggressive Allocation funds and 5 stars for the 5-year, 10-year and Overall periods ended 3/31/13 among 303, 132 and 332 Aggressive Allocation funds, respectively.

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, which can be obtained from your investment representative or by calling 800.243.2729. Please read it carefully before you invest or send money. Past performance is no guarantee of future results. The inception dates of Value Line Mutual Funds range from 1950 to 1993. Value Line Mutual Funds are distributed by EULAV Securities LLC. Value Line and Value Line Logo are trademarks or registered trademarks of Value Line Inc. and/or its affiliates in the United States and other countries. Used by permission.