



Overall Morningstar Rating



Among 549 Mid-Cap Growth Funds (as of 3/31/18)

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 Mid Cap Focused Fund since 2009. He has over 25 years of investment industry experience. Mr. Grant earned an MBA from Wharton and a BA from Stanford University.

Fund Facts

Symbol

Investor VLIFX
Institutional VLMIX

Inception Date

Investor 3/1/50
Institutional 8/11/17

Total Assets

\$148M
(as of 3/31/18)

Top 10 Holdings

(as of 3/31/18)

Company	Weight (%)
IDEXX Laboratories Inc.	5.05
Rollins Inc.	4.71
Teledyne Technologies Inc.	4.51
Waste Connections Inc.	4.42
Fiserv Inc.	4.16
Roper Technologies, Inc.	4.03
Ansys Inc.	3.81
Mettler-Toledo Intl Inc.	3.75
Amphenol Corp.	3.59
The Toro Co.	3.59

Portfolio Manager Q&A

Value Line Mid Cap Focused Fund (VLIFX/VLMIX)

Q1: With the return of volatility in the first quarter of 2018, how did the Fund's focused approach affect its risk/return profile?

Despite the volatility that resulted in a decline of 0.76% for the S&P 500 Index, we are pleased the Fund's portfolio of higher quality, lower volatility mid-cap growth stocks fared well. The Fund rose 2.40%, outperforming the Morningstar Mid-Cap Growth Funds category average, which increased 2.15% over the first quarter.

Regardless of the volatility in the market, we believe our approach to selecting companies with a 10+ year history of consistent growth in both earnings and stock price has helped achieve an attractive risk/return profile over multiple periods. For example, over the 3- and 5-year period ended March 31, 2018, the Fund has outperformed its Morningstar peers and did so with Morningstar's lowest risk rating.

Q2: How many companies did the Fund hold as of the end of the quarter?

As of March 31, 2018, we held 35 companies in the Fund, significantly fewer stocks compared to the category average of 102 stock holdings. While many investors believe that fewer holdings increase the risk profile of an investment, research shows that a portfolio with 20 or more stocks can have the same level of risk as the overall market.

Q3: What sectors look attractive in the mid-cap area of the market?

Many companies that fit our investment process that focuses on consistent growth tend to have businesses that have stood the test of time and demonstrated success in a variety of business climates. Thus, the Fund often holds a larger percentage of assets in the Industrials and Consumer Staples sectors. As of March 31, 2018, the Fund held nearly 37% and 9% in these two sectors versus the Morningstar Mid-Cap Growth Funds Category average weighting of 17% and less than 3%, respectively. A few examples of stocks we hold in Industrials include Heico, an aerospace and electronics manufacturer, Rollins, a pest control manufacturer, and The Toro Co, a manufacturer of turf maintenance and landscaping equipment. Conversely, the Fund often finds fewer companies in the Consumer Discretionary, Financial Services or Energy sectors as many of these stocks do not exhibit consistent long-term growth track records.

Over a short-term period, while the Fund's sector weightings may help or hurt performance, we prefer to emphasize the long-term consistent growth—a hallmark of the venerable Value Line research process. We do not sacrifice performance to be

(Q3 continued)

in “safer” areas of the market; likewise, we do not seek aggressive short-term growth companies to achieve higher returns. We believe a portfolio of high-quality companies with a long and consistent track record of demonstrated results will provide smoother returns over the long term.

Value Line Mid Cap Focused Fund Performance (as of 3/31/18)				
	1 Year	3 Year	5 Year	10 Year
Investor - VLIFX	15.01%	10.63%	12.50%	6.96%
Institutional - VLMIX¹	15.18	10.69	12.53	6.97
S&P 500 Index	13.99	10.78	13.31	9.49
Morningstar Mid-Cap Growth Category Average	18.34	8.28	11.94	9.39
Percentile Rank in Morningstar Cat. - VLIFX	73	19	39	90
# of Funds in Category	613	549	485	352
Morningstar Risk		Low	Low	Low
VLIFX Expense Ratio: 1.21%, VLMIX Gross/Net Expense Ratio*: 0.96% / 0.96%				

Morningstar rates funds based on enhanced Morningstar risk-adjusted returns.

¹*Italics 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 VLMIX is August 11, 2017.*

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 information regarding the Institutional Class in the table has been restated to reflect 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 (within 3 years after the fiscal year end 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 Fund received 4 stars for the 3- and 5-year period and 2 stars for the 10-year period ended 3/31/18 among 549, 485 and 352 mid-cap growth funds, respectively.

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