



Overall  Rating



(VLIFX)
Among 469 Mid-Cap
Growth Funds
(as of 3/31/26)

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.

Fund Facts

Symbol

Investor VLIFX
Institutional VLMIX

Inception Date

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

Total Assets

\$1.34B
(as of 3/31/26)

Top 10 Holdings

(as of 3/31/26)

Company	Weight (%)
Casey's General Stores Inc	6.88
Waste Connections Inc	6.39
Heico Corp	6.30
MSCI Inc	5.57
Teledyne Technologies Inc	5.29
WR Berkley Corp	5.11
Monolithic Power Systems Inc	4.81
Tyler Technologies Inc	4.38
CACI International Inc Class A	4.33
AutoZone Inc	4.11

Value Line Funds

443.279.2015
www.vlfunds.com

Portfolio Manager Q&A

Value Line Mid Cap Focused Fund (VLIFX/VLMIX)

Q1: Would you please discuss your perspective on the market environment and the Fund's performance in the first quarter?

The first quarter of 2026 reflected a shift in market leadership following the narrow, mega-cap driven environment that defined much of 2025. In response to geopolitical concerns surrounding the conflict in Iran and the resulting macroeconomic uncertainty, the U.S. equity market experienced high levels of volatility in the first three months of the year.

Against this backdrop, the Fund returned -5.99% for the quarter, compared with -4.07% for the Morningstar Mid-Cap Growth Category average. Over longer periods, the Fund outperformed the category average for the 5 and 10-year periods ended March 31, 2026.

The Fund continues to focus on companies with durable earnings growth, strong competitive positions, and the ability to perform across a range of environments. We believe this disciplined approach can provide above average long-term growth with below-average risk relative to its Morningstar category average.

Please visit the Fund's [performance page](#) for complete performance information.

Q2: What were the Fund's primary performance contributors and detractors during the quarter?

Performance during the quarter reflected a mix of relative strength in select areas and weakness elsewhere, driven by both positioning and stock selection.

Within the Information Technology sector, the Fund held up better than its benchmark, the S&P MidCap 400 Index, with positive contributions from Monolithic Power Systems Inc. (MPWR), Teledyne Technologies Inc. (TDY), and Motorola Solutions Inc. (MSI). The Fund also benefited from strength in Casey's General Stores Inc. (CASY), which rose nearly 30% during the quarter. In addition, the Fund performed relatively well in Financials, where insurance holdings and MSCI Inc. (MSCI) outperformed in an otherwise weak environment.

On the negative side, performance was pressured by weakness in the Health Care sector, with Icon PLC (ICLR) and IQVIA Holdings Inc. (IQV) detracting. The Fund was also impacted by its lack of exposure to Energy, which was among the strongest-performing sectors during the period.

Q3: Were there any notable portfolio changes during the quarter?

During the quarter, the fund added one new position, ITT Inc. (ITT), a diversified industrial company aligned with the Fund's focus on durable growth and operating consistency.

At the same time, the Fund fully exited five positions: West Pharmaceutical Services Inc. (WST), Churchill Downs Inc. (CHDN), Pool Corp. (POOL), Mettler-Toledo International Inc. (MTD), and Gartner Inc. (IT).

As a result, the Fund held 32 positions at quarter-end.

Q4: How do you manage risk in the current environment, and how has this influenced the Fund's long-term risk profile?

Risk management remains central to the Fund's investment process, particularly during periods of changing market leadership and elevated volatility.

The Fund emphasizes companies with stable operating performance, strong balance sheets, and consistent earnings, while maintaining disciplined position sizing and diversification. The focus remains on businesses that can deliver reliable results over time rather than reacting to short-term trends.

Over longer periods, this approach has resulted in lower volatility relative to peers, as measured by standard deviation. The Fund's standard deviation ranks the lowest in the Morningstar Mid-Cap Growth Category for the 5 and 10-year periods ended March 31, 2026, reflecting its emphasis on consistency and risk management.

	3 Year	5 Year	10 Year
Fund (VLIFX) Standard Deviation Rank	#2 Lowest	#1 Lowest	#1 Lowest
# of Unique Funds in Morningstar Mid-Cap Growth Cat.	121	119	106

Source: Morningstar as of 3/31/26

Portfolio Manager



Stephen E. Grant

Stephen E. Grant has been a portfolio manager with the Value Line Funds since 1991. Over the past 30 years, Mr. Grant's unique quantitative/behavioral methodology has driven the success of several equity and hybrid funds. Mr. Grant has a B.A. in Economics from Stanford University and an MBA in Finance from the Wharton School of the University of Pennsylvania.

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.

Standard deviation is a statistical measure that shows the likelihood of an investment to yield above- or below-average returns over a period of time. For example, if hypothetical XYZ Fund has an average annual total return of 11% and a standard deviation of 6.00, that means XYZ Fund's performance is likely to vary from a low of 5% to a high of 17%.

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 (VLIFX) received 2 stars for the 3-year period and 5 stars for the 5- and 10-year periods ended 3/31/26, among 469, 448 and 374 Mid-Cap Growth funds, respectively. © 2026 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

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