

VALUE LINE FUND INC  
Form N-CSRS  
September 08, 2011

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file Number \_811-02265\_

— Value Line Fund, Inc.  
(Exact name of registrant as specified in charter)

7 Times Square, New York, N.Y. 10036  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: 212-907-1500

Date of fiscal year end: December 31

Date of reporting period: June 30, 2011

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Item I. Reports to Stockholders.

A copy of the Semi-Annual Report to Stockholders for the period ended 6/30/11 is included with this Form.

INVESTMENT ADVISER

EULAV Asset Management  
7 Times Square 21st Floor  
New York, NY 10036-6524

SEMI – ANNUAL REPORT  
June 30, 2011

DISTRIBUTOR

EULAV Securities LLC  
7 Times Square 21st Floor  
New York, NY 10036-6524

CUSTODIAN BANK

State Street Bank and Trust  
Co.  
225 Franklin Street  
Boston, MA 02110

SHAREHOLDER

State Street Bank and Trust  
Co.

SERVICING AGENT

c/o BFDS  
P.O. Box 219729  
Kansas City, MO  
64121-9729

INDEPENDENT

PricewaterhouseCoopers  
LLP

The Value Line  
Fund, Inc.

REGISTERED PUBLIC  
ACCOUNTING FIRM

300 Madison Avenue  
New York, NY 10017

LEGAL COUNSEL

Peter D. Lowenstein, Esq.  
496 Valley Road  
Cos Cob, CT 06807-0272

DIRECTORS

Mitchell E. Appel  
Joyce E. Heinzerling  
Francis C. Oakley  
David H. Porter  
Paul Craig Roberts  
Nancy-Beth Sheerr  
Daniel S. Vandivort

OFFICERS

Mitchell E. Appel  
President  
Michael J. Wagner  
Chief Compliance Officer  
Emily D. Washington  
Treasurer and Secretary

This unaudited report is issued for information to shareholders. It is not authorized for distribution to prospective investors unless preceded or accompanied by a currently effective prospectus of the Fund (obtainable from the Distributor).

#00081085

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The Value Line Fund, Inc.

To Our Value Line

To Our Shareholders (unaudited):

Enclosed is your annual report for the six-month period ended June 30, 2011. I encourage you to carefully review this report, which includes economic highlights, your Fund's performance data and highlights, schedule of investments, and financial statements.

We are pleased to report that The Value Line Fund, Inc. (the "Fund") earned a total return of 14.04% for the six months ending June 30, 2011. That compared with a total return of 6.02% for the benchmark index, the Standard & Poor's 500 Index(1). Contributing to the superior performance in the period was good stock selection in the Computer Software, Consumer Services and Process Industries sectors, plus avoidance of the weak Financial Services sector. In addition, the Fund's largest holding, Green Mountain Coffee Roasters, rose 172% in the six months.

Eighteen months ago, we outlined for you the changes we had undertaken to improve the performance of your Fund. Those changes continue to pay off. First, we broadened the Fund's stock selection universe. Rather than mechanically invest only in the weekly list of one hundred Rank 1s of the Value Line Timeliness Ranking System, the portfolio manager now selects investments from among the 1,200 or so stocks in the top three Ranks. This allows greater diversification of the portfolio, while also reducing portfolio turnover and hence trading expenses. Second, we appointed senior portfolio manager Stephen Grant to actively manage the Fund. In his 20 years with the Value Line funds, Mr. Grant has demonstrated widely recognized success managing other equity portfolios in our fund family.

The Fund's expanded stock selection criteria allow us to implement our disciplined investment strategy to full advantage. We invest in proven winners---those companies that have established five to ten year records of superior relative earnings growth and stock price growth. This is truly a portfolio of growth stocks. We also look for companies demonstrating strong short-term, quarter to quarter, relative earnings momentum and stock price momentum. If a holding later falters on these measures, we do not hesitate to replace it with a stock showing superior strength.

The Fund invests in companies of all sizes. Its approximately 150 holdings are well-diversified in that respect, comprised of about one third large capitalization companies, one third mid-cap and one third small-cap.

Thank you for investing with us.

Sincerely,

/s/ Mitchell Appel  
Mitchell Appel, President

/s/ Stephen E. Grant  
Stephen E. Grant, Portfolio Manager

(1) The Standard & Poor's 500 Index consists of 500 stocks which are traded on the New York Stock Exchange, American Stock Exchange and the NASDAQ National Market System and is representative of the broad stock market. This is an unmanaged index and does not reflect charges, expenses or taxes. It is not possible to directly invest in this index.



The Value Line Fund, Inc.

Fund Shareholders

Economic Highlights (unaudited)

The first half of 2011 saw the broad US stock market rising on the heels of strengthening corporate profits. The S&P 500 returned 6% for the first six months of the year despite significant global economic concerns. Several members of the European Union continued to face a serious debt crisis including Greece, Portugal, Ireland, and Spain. Further, the nuclear disaster in Japan and the geopolitical upheaval in commodity markets added to investor concerns. At home, disappointing job growth in the United States kept the national unemployment rate firmly above 9% for the second quarter.

By mid-year there was mounting evidence that the US recovery had slowed to a crawl. Consumer spending, which accounts for roughly 70% of economic activity, declined in June for the first time in 2 years. First quarter GDP was up by only 0.4%, and second quarter GDP growth was only modestly better at 1.3%. Employment growth in July lagged June numbers, and it was reported that the level of new factory orders decreased. By August, only 58% of the population was working, the lowest level in nearly 3 decades. Housing prices remained almost uniformly weak.

Much of the summer was consumed by the drama of the U.S. debt ceiling negotiations, resulting in an 11th hour deal that appears to satisfy few constituents. It surely did not satisfy Standard & Poors who felt that the \$2.1 trillion deficit reduction over 10 years was insufficient to solve the country's debt problem. The rating agency proceeded to downgrade U.S. Treasury debt from AAA to AA+. This downgrade did not affect short-term Treasuries. Within a few days the rating agency imposed the same rating cut on the long-term debt of several U.S. Agencies including Fannie Mae and Freddie Mac. The other major rating agencies, Moody's and Fitch, maintained AAA ratings for U.S. Treasury debt as well as for the U.S. Agencies. Investor confidence plunged on the heels of the debt ceiling debacle and the US Treasury debt downgrade. Returns for the S&P 500 turned negative in August giving up its returns for the year.

The bond market rallied as stocks took a dive. Yields fell and prices rose across fixed income markets as investors looked for safer havens. Despite the rating downgrade, investor demand for Treasuries soared, pushing interest rates down to the lowest levels in 2 years.

The Value Line Fund, Inc.

FUND EXPENSES (unaudited):

Example

As a shareholder of the Fund, you incur ongoing costs, including management fees, distribution and service (12b-1) fees, and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (January 1, 2011 through June 30, 2011).

Actual Expenses

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads), redemption fees, or exchange fees. Therefore, the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. In addition, if transactional costs were included, your costs would have been higher.

	Beginning account value 1/1/11	Ending account value 6/30/11	Expenses paid during period 1/1/11 thru 6/30/11*
Actual	\$1,000.00	\$1,140.40	\$4.62
Hypothetical (5% return before expenses)	\$1,000.00	\$1,020.48	\$4.36

\* Expenses are equal to the Fund’s annualized expense ratio of 0.87% multiplied by the average account value over the period, multiplied by 181/365 to reflect the one-half year period. This expense ratio

may differ from the expense ratio shown in the Financial Highlights.



The Value Line Fund, Inc.

Portfolio Highlights at June 30, 2011 (unaudited)

Ten Largest Holdings

Issue	Shares	Value	Percentage of Net Assets	
Green Mountain Coffee Roasters, Inc.	41,000	\$3,659,660	2.6	%
Priceline.com, Inc.	4,500	\$2,303,685	1.6	%
Edwards Lifesciences Corp.	26,000	\$2,266,680	1.6	%
Informatica Corp.	34,000	\$1,986,620	1.4	%
AutoZone, Inc.	6,700	\$1,975,495	1.4	%
Oracle Corp.	58,000	\$1,908,780	1.3	%
Diamond Foods, Inc.	24,000	\$1,832,160	1.3	%
Novo Nordisk A/S ADR	14,000	\$1,753,920	1.2	%
Rollins, Inc.	85,000	\$1,732,300	1.2	%
Cognizant Technology Solutions Corp. Class A	23,400	\$1,716,156	1.2	%

Asset Allocation – Percentage of Net Assets

Sector Weightings – Percentage of Total Investment Securities

The Value Line Fund, Inc.

Schedule of Investments (unaudited)

Shares		Value
COMMON STOCKS (97.1%)		
CONSUMER DISCRETIONARY (20.3%)		
6,700	AutoZone, Inc. *	\$ 1,975,495
14,000	Bed Bath & Beyond, Inc. *	817,180
12,800	BorgWarner, Inc. *	1,034,112
22,400	Brinker International, Inc.	547,904
17,000	Buckle, Inc. (The)	725,900
8,000	Buffalo Wild Wings, Inc. *	530,480
3,600	Chipotle Mexican Grill, Inc. *	1,109,484
11,700	Coach, Inc.	747,981
15,500	Darden Restaurants, Inc.	771,280
17,000	Deckers Outdoor Corp. *	1,498,380
9,000	Dick's Sporting Goods, Inc. *	346,050
25,000	DIRECTV Class A *	1,270,500
12,000	Dollar Tree, Inc. *	799,440
24,000	Domino's Pizza, Inc. *	605,760
3,800	Fossil, Inc. *	447,336
7,000	Genuine Parts Co.	380,800
13,000	Gildan Activewear, Inc.	457,210
2,900	Guess?, Inc.	121,974
15,400	Hanesbrands, Inc. *	439,670
28,600	Johnson Controls, Inc.	1,191,476
18,000	LKQ Corp. *	469,620
3,000	Lululemon Athletica, Inc. *	335,460
15,300	McDonald's Corp.	1,290,096
2,000	Netflix, Inc. *	525,380
New Oriental Education & Technology Group, Inc.		
400	ADR *	44,688
2,000	O'Reilly Automotive, Inc. *	131,020
13,000	Panera Bread Co. Class A *	1,633,580
14,400	Penn National Gaming, Inc. *	580,896
4,500	Priceline.com, Inc. *	2,303,685
5,000	Shaw Communications, Inc. Class B	114,150
3,500	Strayer Education, Inc.	442,365
3,000	Tim Hortons, Inc.	146,430
22,000	TJX Companies, Inc. (The)	1,155,660
13,000	TRW Automotive Holdings Corp. *	767,390
2,000	Ulta Salon, Cosmetics & Fragrance, Inc. *	129,160
2,300	Under Armour, Inc. Class A *	177,813
12,000	Warnaco Group, Inc. (The) *	627,000
Shares		
4,600	Wynn Resorts Ltd.	\$ 660,284
27,800	Yum! Brands, Inc.	1,535,672

		28,888,761
	CONSUMER STAPLES (11.0%)	
1,400	Boston Beer Co., Inc. (The) Class A *	125,440
4,000	British American Tobacco PLC ADR	352,000
6,500	Bunge Ltd.	448,175
12,000	Casey's General Stores, Inc.	528,000
28,000	Church & Dwight Co., Inc.	1,135,120
12,700	Corn Products International, Inc.	702,056
8,000	Costco Wholesale Corp.	649,920
24,000	Diamond Foods, Inc.	1,832,160
36,000	Flowers Foods, Inc.	793,440
12,000	General Mills, Inc.	446,640
41,000	Green Mountain Coffee Roasters, Inc. *	3,659,660
11,400	Herbalife Ltd.	657,096
41,000	Hormel Foods Corp.	1,222,210
21,600	J&J Snack Foods Corp.	1,076,760
7,000	Molson Coors Brewing Co. Class B	313,180
7,000	PepsiCo, Inc.	493,010
1,000	Ruddick Corp.	43,540
15,700	TreeHouse Foods, Inc. *	857,377
6,000	Whole Foods Market, Inc.	380,700
		15,716,484
	ENERGY (0.9%)	
2,300	Core Laboratories N.V.	256,542
8,000	Enbridge, Inc.	259,680
16,000	Southwestern Energy Co. *	686,080
		1,202,302
	FINANCIALS (3.4%)	
20,000	AFLAC, Inc.	933,600
2,000	Axis Capital Holdings Ltd.	61,920
14,000	Bank of Montreal	889,700
3,000	BlackRock, Inc.	575,430
7,000	M&T Bank Corp.	615,650
8,000	Royal Bank of Canada	456,240
13,500	Stifel Financial Corp. *	484,110
13,000	T. Rowe Price Group, Inc.	784,420
		4,801,070

See Notes to Financial Statements.

The Value Line Fund, Inc.

June 30, 2011

Shares		Value
	<b>HEALTH CARE (17.4%)</b>	
13,600	Alexion Pharmaceuticals, Inc. *	\$ 639,608
11,600	Allergan, Inc.	965,700
3,300	Bio-Rad Laboratories, Inc. Class A *	393,888
7,000	C.R. Bard, Inc.	769,020
15,400	Catalyst Health Solutions, Inc. *	859,628
18,200	Cerner Corp. *	1,112,202
24,400	Computer Programs & Systems, Inc.	1,548,912
3,000	DaVita, Inc. *	259,830
3,000	DENTSPLY International, Inc.	114,240
26,000	Edwards Lifesciences Corp. *	2,266,680
8,700	Endo Pharmaceuticals Holdings, Inc. *	349,479
24,000	Express Scripts, Inc. *	1,295,520
8,700	Haemonetics Corp. *	560,019
13,700	Henry Schein, Inc. *	980,783
3,600	IDEXX Laboratories, Inc. *	279,216
13,000	Illumina, Inc. *	976,950
1,000	Intuitive Surgical, Inc. *	372,110
14,000	Medco Health Solutions, Inc. *	791,280
8,000	MEDNAX, Inc. *	577,520
3,000	Mettler-Toledo International, Inc. *	506,010
14,000	Novo Nordisk A/S ADR	1,753,920
17,500	Owens & Minor, Inc.	603,575
23,000	ResMed, Inc. *	711,850
6,600	Techne Corp.	550,242
18,000	Teva Pharmaceutical Industries Ltd. ADR	867,960
8,200	Thermo Fisher Scientific, Inc. *	527,998
3,500	United Therapeutics Corp. *	192,850
22,000	UnitedHealth Group, Inc.	1,134,760
17,400	Universal Health Services, Inc. Class B	896,622
9,000	Volcano Corp. *	290,610
6,000	Waters Corp. *	574,440
14,000	WellPoint, Inc.	1,102,780
		24,826,202

Shares		Value
	<b>INDUSTRIALS (17.7%)</b>	
26,500	AMETEK, Inc.	\$ 1,189,850
7,800	C.H. Robinson Worldwide, Inc.	614,952
12,100	Canadian National Railway Co.	966,790
11,500	Carlisle Companies, Inc.	566,145
15,000	Chicago Bridge & Iron Co. N.V.	583,500
3,000	CLARCOR, Inc.	141,840
1,000	Clean Harbors, Inc. *	103,250

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5,100	Cubic Corp.	260,049
23,700	Danaher Corp.	1,255,863
14,000	Donaldson Co., Inc.	849,520
14,000	Eaton Corp.	720,300
8,700	Elbit Systems Ltd.	415,512
2,900	Esterline Technologies Corp. *	221,560
12,000	Fastenal Co.	431,880
6,000	FedEx Corp.	569,100
9,300	Graco, Inc.	471,138
8,950	HEICO Corp.	489,923
12,000	IDEX Corp.	550,200
18,200	IHS, Inc. Class A *	1,518,244
12,400	Iron Mountain, Inc.	422,716
11,700	ITT Corp.	689,481
6,800	J.B. Hunt Transport Services, Inc.	320,212
9,600	Kansas City Southern *	569,568
11,000	Kirby Corp. *	623,370
7,400	L-3 Communications Holdings, Inc.	647,130
3,000	Lennox International, Inc.	129,210
2,300	Middleby Corp. (The) *	216,292
1,800	National Presto Industries, Inc.	182,682
9,000	Navistar International Corp. *	508,140
6,200	Parker Hannifin Corp.	556,388
3,800	Precision Castparts Corp.	625,670
85,000	Rollins, Inc.	1,732,300
11,400	Roper Industries, Inc.	949,620
12,000	Stericycle, Inc. *	1,069,440
6,800	Toro Co. (The)	411,400
12,400	United Technologies Corp.	1,097,524
9,500	URS Corp. *	425,030
7,000	Valmont Industries, Inc.	674,730
4,900	W.W. Grainger, Inc.	752,885
20,300	Waste Connections, Inc.	644,119
		25,167,523

See Notes to Financial Statements.

The Value Line Fund, Inc.

Schedule of Investments (unaudited)

Shares		Value
	<b>INFORMATION TECHNOLOGY (15.7%)</b>	
22,600	Accenture PLC Class A	\$ 1,365,492
12,000	Acme Packet, Inc. *	841,560
26,000	Advent Software, Inc. *	732,420
8,300	Alliance Data Systems Corp. *	780,781
7,000	Amphenol Corp. Class A	377,930
11,500	ANSYS, Inc. *	628,705
7,000	Ariba, Inc. *	241,290
25,000	Check Point Software Technologies Ltd. *	1,421,250
23,400	Cognizant Technology Solutions Corp. Class A *	1,716,156
15,000	Dolby Laboratories, Inc. Class A *	636,900
7,000	Equinix, Inc. *	707,140
5,700	F5 Networks, Inc. *	628,425
3,300	FactSet Research Systems, Inc.	337,656
700	Google, Inc. Class A *	354,466
34,000	Informatica Corp. *	1,986,620
2,600	MasterCard, Inc. Class A	783,484
4,000	MICROS Systems, Inc. *	198,840
6,000	Netgear, Inc. *	262,320
25,000	Open Text Corp. *	1,600,500
58,000	Oracle Corp.	1,908,780
7,000	Rovi Corp. *	401,520
7,000	Salesforce.com, Inc. *	1,042,860
15,300	Solera Holdings, Inc.	905,148
12,000	SuccessFactors, Inc. *	352,800
7,000	Teradata Corp. *	421,400
20,000	TIBCO Software, Inc. *	580,400
6,000	VMware, Inc. Class A *	601,380
3,000	WebMD Health Corp. *	136,740
8,100	Wright Express Corp. *	421,767
		22,374,730
	<b>MATERIALS (8.7%)</b>	
7,800	Albemarle Corp.	539,760
23,000	Ball Corp.	884,580
8,200	CF Industries Holdings, Inc.	1,161,694
38,000	Crown Holdings, Inc. *	1,475,160
10,000	Cytec Industries, Inc.	571,900
15,000	FMC Corp.	1,290,300
7,400	NewMarket Corp.	1,263,254
10,000	Packaging Corp. of America	279,900
9,000	Praxair, Inc.	975,510
Shares		Value
8,000	Rock-Tenn Co. Class A	\$ 530,720

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14,000	Scotts Miracle-Gro Co. (The) Class A	718,340
12,400	Sigma-Aldrich Corp.	909,912
25,900	Silgan Holdings, Inc.	1,061,123
13,100	Solutia, Inc. *	299,335
11,400	Valspar Corp. (The)	411,084
		12,372,572
	UTILITIES (2.0%)	
14,000	ITC Holdings Corp.	1,004,780
8,200	NSTAR	377,036
9,600	Oneok, Inc.	710,496
18,000	Questar Corp.	318,780
15,300	Wisconsin Energy Corp.	479,655
		2,890,747
	TOTAL COMMON STOCKS AND TOTAL INVESTMENT SECURITIES (97.1%) (Cost \$91,986,386)	138,240,391
Principal Amount		Value
	SHORT-TERM INVESTMENTS (1.6%)	
	REPURCHASE AGREEMENTS (1.6%)	
\$ 2,300,000	With Morgan Stanley, 0.00%, dated 06/30/11, due 07/01/11, delivery value \$2,300,000 (collateralized by \$2,330,000 U.S. Treasury Notes 0.8750% due 02/29/12, with a value of \$2,348,227)	\$ 2,300,000
	TOTAL SHORT-TERM INVESTMENTS (Cost \$2,300,000) (1.6%)	2,300,000
	CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES (1.3%)	1,823,263
	NET ASSETS (100%)	\$ 142,363,654

See Notes to Financial Statements.

The Value Line Fund, Inc.

June 30, 2011

Principal  
Amount

NET ASSET VALUE OFFERING AND REDEMPTION PRICE, PER OUTSTANDING SHARE  
(\$142,363,654 ÷ 14,600,247 shares outstanding)

Value

\$ 9.75

\* Non-income producing.  
ADR American Depositary Receipt.

See Notes to Financial Statements.



## The Value Line Fund, Inc.

Statement of Assets and Liabilities  
at June 30, 2011 (unaudited)

## Assets:

Investment securities, at value (Cost - \$91,986,386)	\$ 138,240,391
Repurchase agreement (Cost - \$2,300,000)	2,300,000
Cash	176,142
Receivable for securities sold	1,211,831
Receivable for capital shares sold	618,872
Dividends receivable	40,990
Prepaid expenses	13,270
Total Assets	142,601,496

## Liabilities:

Payable for capital shares redeemed	156,567
Accrued expenses:	
Advisory fee	61,423
Other	19,852
Total Liabilities	237,842
Net Assets	\$ 142,363,654
Net assets consist of:	
Capital stock, at \$1.00 par value (authorized 50,000,000, outstanding 14,600,247 shares)	\$ 14,600,247
Additional paid-in capital	151,286,790
Accumulated net investment loss	(13,202 )
Accumulated net realized loss on investments and foreign currency	(69,764,210 )
Net unrealized appreciation of investments and foreign currency translations	46,254,029
Net Assets	\$ 142,363,654
Net Asset Value, Offering and Redemption Price per Outstanding Share (\$142,363,654 ÷ 14,600,247 shares outstanding)	\$9.75

## Statement of Operations

## for the Six Months Ended June 30, 2011 (unaudited)

## Investment Income:

Dividends (net of foreign withholding tax of \$9,239)	\$454,804
Interest	1,832
Total Income	456,636
Expenses:	
Advisory fee	390,384
Service and distribution plan fees	140,611
Transfer agent fees	43,505
Printing and postage	35,153
Auditing and legal fees	24,776
Registration and filing fees	14,730
Custodian fees	13,324

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Directors' fees and expenses	10,325
Insurance	6,218
Other	9,724
Total Expenses Before Fees Waived and Custody Credits	688,750
Less: Service and Distribution Plan Fees Waived	(140,611 )
Less: Advisory Fees Waived	(59,567 )
Less: Custody Credits	(78 )
Net Expenses	488,494
Net Investment Loss	(31,858 )
Net Realized and Unrealized Gain on Investments and Foreign Exchange Transactions:	
Net Realized Gain	3,505,096
Change in Net Unrealized Appreciation/(Depreciation)	11,860,621
Net Realized Gain and Change in Net Unrealized Appreciation/(Depreciation) on Investments and Foreign Exchange Transactions	15,365,717
Net Increase in Net Assets from Operations	\$15,333,859

See Notes to Financial Statements.

The Value Line Fund, Inc.

Statement of Changes in Net Assets  
for the Six Months Ended June 30, 2011 (unaudited) and for the Year Ended December 31, 2010

	Six Months Ended June 30, 2011 (unaudited)	Year Ended December 31, 2010
Operations:		
Net investment income/(loss)	\$ (31,858 )	\$ 19,119
Net realized gain on investments and foreign currency	3,505,096	6,315,624
Change in net unrealized appreciation/(depreciation)	11,860,621	15,566,001
Net increase in net assets from operations	15,333,859	21,900,744
Capital Share Transactions:		
Proceeds from sale of shares	29,609,498	1,757,938
Cost of shares redeemed	(6,779,914 )	(12,138,342 )
Net increase/(decrease) in net assets from capital share transactions	22,829,584	(10,380,404 )
Total Increase in Net Assets	38,163,443	11,520,340
Net Assets:		
Beginning of period	\$ 104,200,211	\$ 92,679,871
End of period	\$ 142,363,654	\$ 104,200,211
Accumulated net investment loss and undistributed net investment income, respectively, at end of period	\$ (13,202 )	\$ 18,656

See Notes to Financial Statements.

The Value Line Fund, Inc.

Notes to Financial Statements (unaudited)

### 1. Significant Accounting Policies

The Value Line Fund, Inc., (the “Fund”) is registered under the Investment Company Act of 1940, as amended, as a diversified, open-end management investment company whose primary investment objective is long term-growth of capital.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements.

(A) Security Valuation: Securities listed on a securities exchange are valued at the closing sales prices on the date as of which the net asset value is being determined. Securities traded on the NASDAQ Stock Market are valued at the NASDAQ Official Closing Price. In the absence of closing sales prices for such securities and for securities traded in the over-the-counter market, the security is valued at the midpoint between the latest available and representative asked and bid prices. Short-term instruments with maturities 60 days or less at the date of purchase are valued at amortized cost, which approximates market value. Short- term instruments with maturities greater than 60 days at the date of purchase are valued at the midpoint between the latest available and representative asked and bid prices, and commencing 60 days prior to maturity such securities are valued at amortized cost. Securities for which market quotations are not readily available or that are not readily marketable and all other assets of the Fund are valued at fair value as the Board of Directors may determine in good faith. In addition, the Fund may use the fair value of a security when the closing market price on the primary exchange where the security is traded no longer accurately reflects the value of a security due to factors affecting one or more relevant securities markets or the specific issuer.

(B) Fair Value Measurements: The Fund follows fair valuation accounting standards (FASB ASC 820-10) which establish a definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value and a discussion of changes in valuation techniques and related inputs during the period. These inputs are summarized in the three broad levels listed below:

- Level 1 — Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the measurement date;
- Level 2 — Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active;
- Level 3 — Inputs that are unobservable.

Transfers between investment levels may occur as the markets fluctuate and/or the availability of data used in an investment’s valuation changes. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table summarizes the inputs used to value the Fund’s investments in securities as of June 30, 2011:

Investments in Securities:	Level 1	Level 2	Level 3	Total
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Assets

Common Stocks	\$ 138,240,391	\$ 0	\$ 0	\$ 138,240,391
Short Term Investments	0	2,300,000	0	2,300,000
Total Investments in Securities	\$ 138,240,391	\$ 2,300,000	\$ 0	\$ 140,540,391

The Value Line Fund, Inc.

June 30, 2011

The Fund follows the updated provisions surrounding fair value measurements and disclosures on transfers in and out of all levels of the fair value hierarchy on a gross basis and the reasons for the transfers as well as to disclosures about the valuation techniques and inputs used to measure fair value for investments that fall in either Level 2 or Level 3 fair value hierarchy.

For the six months ended June 30, 2011, there was no significant transfer activity between Level 1 and Level 2.

For the six months ended June 30, 2011, there were no Level 3 investments. The Schedule of Investments includes a breakdown of the Schedule's investments by category.

(C) Repurchase Agreements: In connection with transactions in repurchase agreements, the Fund's custodian takes possession of the underlying collateral securities, the value of which exceeds the principal amount of the repurchase transaction, including accrued interest. To the extent that any repurchase transaction exceeds one business day, it is the Fund's policy to mark-to-market on a daily basis to ensure the adequacy of the collateral. In the event of default of the obligation to repurchase, the Fund has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. Under certain circumstances, in the event of default or bankruptcy by the other party to the agreement, realization and/or retention of the collateral or proceeds may be subject to legal proceedings.

(D) Federal Income Taxes: It is the Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies, including the distribution requirements of the Tax Reform Act of 1986, and to distribute all of its taxable income and capital gains to its shareholders. Therefore, no federal income tax provision is required.

(E) Security Transactions and Distributions: Security transactions are accounted for on the date the securities are purchased or sold. Interest income is accrued as earned. Realized gains and losses on sales of securities are calculated for financial accounting and federal income tax purposes on the identified cost basis. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Distributions are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles.

(F) Foreign Currency Translation: The books and records of the Fund are maintained in U.S. dollars. Assets and liabilities which are denominated in foreign currencies are translated to U.S. dollars at the prevailing rates of exchange. The Fund does not isolate changes in the value of investments caused by foreign exchange rate differences from the changes due to other circumstances.

Income and expenses are translated to U.S. dollars based upon the rates of exchange on the respective dates of such transactions.

Net realized foreign exchange gains or losses arise from currency fluctuations realized between the trade and settlement dates on securities transactions, the differences between the U.S. dollar amounts of dividends, interest, and foreign withholding taxes recorded by the Fund, and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities, other than investments, at the end of the fiscal period, resulting from changes in the exchange rates. The effect of the change in foreign exchange rates on the value of investments is included in realized gain/loss on investments and change in net unrealized appreciation/depreciation on investments.

(G) Representations and Indemnifications: In the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties which provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

The Value Line Fund, Inc.

Notes to Financial Statements (unaudited)

(H) Foreign Taxes: The Fund may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

(I) Subsequent Events: Management has evaluated all subsequent transactions and events through the date on which these financial statements were issued, and except as already included in the notes to these financial statements, has determined that no additional items require disclosure.

## 2. Capital Share Transactions, Dividends and Distributions to Shareholders

Transactions in capital stock were as follows:

	Six Months Ended June 30, 2011 (unaudited)	Year Ended December 31, 2010
Shares sold	3,144,881	232,157
Shares redeemed	(737,327 )	(1,641,343 )
Net increase/(decrease)	2,407,554	(1,409,186 )

## 3. Purchases and Sales of Securities

Purchases and sales of investment securities, excluding short-term securities, were as follows:

	Six Months Ended June 30, 2011 (unaudited)
Purchases:	
Investment Securities	\$ 32,542,046
Sales:	
Investment Securities	\$ 7,253,402

## 4. Income Taxes

At June 30, 2011, information on the tax components of capital is as follows:

Cost of investments for tax purposes	\$ 94,286,386
Gross tax unrealized appreciation	\$ 46,833,679
Gross tax unrealized depreciation	(\$579,674 )
Net tax unrealized appreciation on investments	\$ 46,254,005

## 5. Investment Advisory Fee, Service and Distribution Fees and Transactions With Affiliates

An advisory fee of \$390,384 was paid or payable to EULAV Asset Management (the "Adviser") for the six months ended June 30, 2011. This was computed at an annual rate of 0.70% of the first \$100 million of the Fund's average daily net assets plus 0.65% of the excess thereof, and paid monthly. The Adviser provides research, investment programs, supervision of the investment portfolio and pays costs of administrative services, office space, equipment



and compensation of administrative, bookkeeping, and clerical personnel necessary for managing the affairs of the Fund. The Adviser also provides persons, satisfactory to the Fund's Board of Directors, to act as officers and employees of the Fund and pays their salaries. Effective May 1, 2009 through April 30, 2012, the Adviser contractually reduced the advisory fee by 0.10% of the first \$100 million of the Fund's average daily net assets and 0.15% on the excess there of for a one year period. The fees waived amounted to \$59,567 for the six months ended June 30, 2011. The Adviser has no right to recoup previously waived amounts.

June 30, 2011

The Fund has a Service and Distribution Plan (the “Plan”), adopted pursuant to Rule 12b-1 under the Investment Company Act of 1940, which compensates EULAV Securities LLC (the “Distributor”) for advertising, marketing and distributing the Fund’s shares and for servicing the Fund’s shareholders at an annual rate of 0.25% of the Fund’s average daily net assets. For the six months ended June 30, 2011, fees amounting to \$140,611 before fee waivers were accrued under the Plan. Effective May 1, 2007 through April 30, 2012, the Distributor contractually agreed to waive the Fund’s 12b-1 fee for one year periods. For the six months ended June 30, 2011 the fees waived amounted to \$140,611. The Distributor has no right to recoup prior waivers.

For the six months ended June 30, 2011, the Fund’s expenses were reduced by \$78 under a custody credit arrangement with the custodian.

Direct expenses of the Fund are charged to the Fund while common expenses of the Value Line Funds are allocated proportionately based upon the Funds’ respective net assets. The Fund bears all other costs and expenses.

Certain officers and a Trustee of the Adviser are also officers and a director of the Fund. At June 30, 2011, the officers and directors as a group owned 729 shares of the Fund, representing less than 1% of the outstanding shares.

The Value Line Fund, Inc.

Financial Highlights

Selected data for a share of capital stock outstanding throughout each period:

	Six Months Ended June 30, 2011 (unaudited)		Years Ended December 31,						
	2010	2009	2008	2007	2006				
Net asset value, beginning of period	\$ 8.55	\$ 6.81	\$ 6.22	\$ 12.83	\$ 12.48	\$ 13.14			
Income from investment operations:									
Net investment income/(loss)	(0.00 )	(0.00 )	(0.01 )	(0.03 )	(0.01 )	(0.05 )			
Net gains or (losses) on securities (both realized and unrealized)	1.20	1.74	0.60	(6.30 )	2.37	0.58			
Total from investment operations	1.20	1.74	0.59	(6.33 )	2.36	0.53			
Less distributions:									
Distributions from net realized gains	—	—	—	(0.28 )	(2.01 )	(1.19 )			
Net asset value, end of period	\$ 9.75	\$ 8.55	\$ 6.81	\$ 6.22	\$ 12.83	\$ 12.48			
Total return Ratios/Supplemental Data:	14.04 %	25.55 %	9.49 %	(49.28 )%	19.50 %	4.00 %			
Net assets, end of period (in thousands)	\$ 142,364	\$ 104,200	\$ 92,680	\$ 93,099	\$ 203,274	\$ 197,349			
Ratio of expenses to average net assets(1)	1.22 %	1.31 %	1.36 %	1.17 %	1.08 %	1.12 %			
Ratio of expenses to average net assets(2)	0.87 %	0.91 %	1.04 %	0.92 %	0.82 %	1.04 %			
Ratio of net investment income/(loss) to average net assets	(0.06 )%	0.02 %	(0.22 )%	(0.26 )%	(0.11 )%	(0.37 )%			
Portfolio turnover rate	7 %	27 %	122 %	273 %	216 %	224 %			

(1) Ratio reflects expenses grossed up for custody credit arrangement and grossed up for the waiver of the advisory fees by the Adviser and the service and distribution plan fees by the Distributor. The ratio of expenses to average net assets net of custody credits, but exclusive of the fee waivers, would have been 1.07% for the year ended

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December 31, 2007 and would not have changed for the other periods shown.

- (2) Ratio reflects expenses net of the custody credit arrangement and net of the waiver of the advisory fee by the Adviser and the service and distribution plan fees by the Distributor.
- (3) Amount is less than \$.01 per share.
- (4) Not annualized.
- (5) Annualized.
- (6) Ratio reflects expenses grossed up for the reimbursement by Value Line, Inc. of certain expenses incurred by the Fund.
- (7) Ratio reflects expenses net of the reimbursement by Value Line, Inc. of certain expenses incurred by the Fund.

See Notes to Financial Statements.

The Value Line Fund, Inc.

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission (“SEC”) for the first and third quarters of each fiscal year on Form N-Q. The Fund’s Forms N-Q are available on the SEC’s website at <http://www.sec.gov> and may be reviewed and copied at the SEC’s Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities, and information regarding how the Fund voted these proxies for the 12-month period ended June 30 is available through the Fund’s website at <http://www.vlfunds.com> and on the SEC’s website at <http://www.sec.gov>. The description of the policies and procedures is also available without charge, upon request, by calling 1-800-243-2729.

The Value Line Fund, Inc.

Management of the Fund

#### MANAGEMENT INFORMATION

The business and affairs of the Fund are managed by the Fund's officers under the direction of the Board of Directors. The following table sets forth information on each Director and Officer of the Fund. Each Director serves as a director or trustee of each of the 14 Value Line Funds. Each Director serves until his or her successor is elected and qualified.

Name, Address, and YOB	Position	Length of Time Served	Principal Occupation During the Past 5 Years	Other Directorships Held by Director
Interested Director* Mitchell E. Appel YOB: 1970	Director	Since 2010	President of each of the Value Line Funds since June 2008; President of the Adviser and Distributor since February 2009; Chief Financial Officer of Value Line, Inc. ("Value Line") from April 2008 to December 2010 and from September 2005 to November 2007; Director of Value Line, Inc. February 2010 to December 2010 and Treasurer from June 2005 to September 2005; Chief Financial Officer of XTF Asset Management from November 2007 to April 2008.	None
Non-Interested Directors				
Joyce E. Heinzerling 500 East 77th Street New York, NY 10162 YOB: 1956	Director	Since 2008	President, Meridian Fund Advisers LLC. (consultants) since April 2009; General Counsel, Archery Capital LLC (private investment fund) until April 2009.	Burnham Investors Trust, since 2004 (4 funds).
Francis C. Oakley 54 Scott Hill Road Williamstown, MA 01267 YOB: 1931	Director	Since 2000	Professor of History, Williams College, (1961-2002). Professor Emeritus since 2002; President Emeritus since 1994 and President, (1985-1994); Chairman (1993-1997) and Interim President (2002-2003) of the American Council of Learned Societies. Trustee since 1997 and Chairman of the Board since 2005, National Humanities Center.	None
David H. Porter 5 Birch Run Drive Saratoga Springs, NY 12866 YOB: 1935	Director	Since 1997	Professor, Skidmore College since 2008; Visiting Professor of Classics, Williams College, (1999-2008); President Emeritus, Skidmore College since 1999 and President, (1987-1998).	None

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Paul Craig Roberts 169 Pompano St. Panama City Beach, FL 32413 YOB: 1939	Director	Since 1983	Chairman, Institute for Political Economy.	None
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The Value Line Fund, Inc.

## Management of the Fund

Name, Address, and YOB	Position	Length of Time Served	Principal Occupation During the Past 5 Years	Other Directorships Held by Director
Nancy-Beth Sheerr 1409 Beaumont Drive Gladwyne, PA 19035 YOB: 1949	Director	Since 1996	Senior Financial Adviser, Veritable L.P. (Investment Adviser).	None
Daniel S. Vandivort 59 Indian Head Road Riverside, CT 06878 YOB: 1954	Director (Chairman of Board since 2010)	Since 2008	President, Chief Investment Officer, Weiss, Peck and Greer/Robeco Investment Management (2005-2007); Managing Director, Weiss, Peck and Greer, (1995-2005).	None
Mitchell E. Appel YOB: 1970	President	Since 2008	President of each of the Value Line Funds since June 2008; President of the Adviser and Distributor since February 2009; Chief Financial Officer of Value Line, Inc. ("Value Line") from April 2008 to December 2010 and from September 2005 to November 2007; Director of Value Line, Inc. February 2010 to December 2010 and Treasurer from June 2005 to September 2005; Chief Financial Officer of XTF Asset Management from November 2007 to April 2008.	
Michael J. Wagner YOB: 1950	Chief Compliance Officer	Since 2009	Chief Compliance Officer of Value Line Funds since June 2009; President of Northern Lights Compliance Services, LLC (formerly Fund Compliance Services, LLC (2006 – present)) and Senior Vice President (2004- 2006) and President and Chief Operations Officer (2003-2006) of Gemini Fund Services, LLC; Director of Constellation Trust Company until 2008.	
Emily D. Washington YOB: 1979	Treasurer and Secretary	Since 2008	Treasurer and Chief Financial Officer (Principal Financial and Accounting Officer) of each of the Value Line Funds since August 2008 and Secretary since 2010; Associate Director of Mutual Fund Accounting at Value Line until August 2008.	

\* Mr. Appel is an "interested person" as defined in the Investment Company Act of 1940 by virtue of his position with the Adviser and Distributor.

Unless otherwise indicated, the address for each of the above officers is c/o Value Line Funds, 7 Times Square, New York, NY 10036.

The Fund's Statement of Additional Information (SAI) includes additional information about the Fund's Directors and is available, without charge, upon request by calling 1-800-243-2729 or on the Fund's website, [www.vlfunds.com](http://www.vlfunds.com).





The Value Line Fund, Inc.

The Value Line Family of Funds

1950 — The Value Line Fund seeks long-term growth of capital. Current income is a secondary objective.

1952 — Value Line Income and Growth Fund's primary investment objective is income, as high and dependable as is consistent with reasonable risk. Capital growth to increase total return is a secondary objective.

1956 — Value Line Premier Growth Fund seeks long-term growth of capital. No consideration is given to current income in the choice of investments.

1972 — Value Line Larger Companies Fund's sole investment objective is to realize capital growth.

1979 — Value Line U.S. Government Money Market Fund, a money market fund, seeks to secure as high a level of current income as is consistent with maintaining liquidity and preserving capital. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

1981 — Value Line U.S. Government Securities Fund seeks maximum income without undue risk to capital. Under normal conditions, at least 80% of the value of its net assets will be invested in securities issued or guaranteed by the U.S. Government and its agencies and instrumentalities.

1983 — Value Line Centurion Fund\* seeks long-term growth of capital.

1984 — The Value Line Tax Exempt Fund seeks to provide investors with the maximum income exempt from federal income taxes while avoiding undue risk to principal. The fund may be subject to state and local taxes and the Alternative Minimum Tax (if applicable).

1985 — Value Line Convertible Fund seeks high current income together with capital appreciation primarily from convertible securities ranked 1, 2 or 3 for the year-ahead performance by the Value Line Convertible Ranking System.

1986 — Value Line Aggressive Income Trust seeks to maximize current income.

1987 — Value Line New York Tax Exempt Trust seeks to provide New York taxpayers with the maximum income exempt from New York State, New York City and federal income taxes while avoiding undue risk to principal. The Trust may be subject to state and local taxes and the Alternative Minimum Tax (if applicable).

1987 — Value Line Strategic Asset Management Trust\* seeks to achieve a high total investment return consistent with reasonable risk.

1993 — Value Line Emerging Opportunities Fund invests in US common stocks of small capitalization companies, with its primary objective being long-term growth of capital.

1993 — Value Line Asset Allocation Fund seeks high total investment return, consistent with reasonable risk. The Fund invests in stocks, bonds and money market instruments utilizing quantitative modeling to determine the asset mix.

\*

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Only available through the purchase of Guardian Investor, a tax deferred variable annuity, or ValuePlus, a variable life insurance policy.

For more complete information about any of the Value Line Funds, including charges and expenses, send for a prospectus from EULAV Securities LLC, 7 Times Square, New York, New York 10036-6524 or call 1-800-243-2729, 9am-5pm CST, Monday-Friday, or visit us at [www.vlfunds.com](http://www.vlfunds.com). Read the prospectus carefully before you invest or send money.

Item 11. Controls and Procedures.

- (a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in rule 30a-2(c) under the Act (17 CFR 270.30a-2(c) ) based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this report, are appropriately designed to ensure that material information relating to the registrant is made known to such officers and are operating effectively.
- (b) The registrant's principal executive officer and principal financial officer have determined that there have been no significant changes in the registrant's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including corrective actions with regard to significant deficiencies and material weaknesses.

Item 12. Exhibits.

- (a) (1) Certification pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2) attached hereto as Exhibit 99.CERT.
  - (2) Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 attached hereto as Exhibit 99.906.CERT.
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

By: /s/ Mitchell E. Appel  
Mitchell E. Appel, President

Date: September 7, 2011

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Mitchell E. Appel  
Mitchell E. Appel, President, Principal Executive Officer

By: /s/ Emily D. Washington  
Emily D. Washington, Treasurer, Principal Financial Officer

Date: September 7, 2011