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Value Line Mid Cap Focused Fund, Inc.
Form N-CSR
March 10, 2016

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 Mid Cap Focused 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: 212-907-1900

Date of fiscal year end: December 31, 2015

Date of reporting period: December 31, 2015

Item I. Reports to Stockholders

A copy of the Annual Report to Stockholders for the period ended 12/31/15 is included with this Form.

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Annual Report
December 31, 2015

Value Line Premier Growth Fund, Inc.
(VALSX)
Value Line Mid Cap Focused Fund, Inc.
(VLIFX)
(formerly, The Value Line Fund, Inc.)
Value Line Income and Growth Fund, Inc.
Investor Class (VALIX)
Institutional Class (VLIIX)
Value Line Larger Companies Focused Fund, Inc.
Investor Class (VALLX)
Institutional Class (VLLIX)
(formerly, Value Line Larger Companies Fund, Inc.)

This audited 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).

#00161843

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President's Letter (unaudited)

Dear Fellow Shareholders:

We are pleased to present you with this annual report for Value Line Premier Growth Fund, Inc., Value Line Mid Cap Focused Fund, Inc., Value Line Income and Growth Fund, Inc. and Value Line Larger Companies Focused Fund, Inc. (individually, a "Fund" and collectively, the "Funds") for the 12 months ended December 31, 2015.

During the annual period, equities generated mixed absolute returns, and two of the four Funds lagged their respective benchmark index on a relative basis. Still, the annual period was highlighted by each of the four equity and hybrid Value Line Funds being recognized for their long-term performance and attractive risk profiles.

- Value Line Premier Growth Fund, Inc. outpaced the category average return of its peers for the ten-year period ended December 31, 2015, as noted by leading independent mutual fund advisory service Lipper Inc.¹ (multi-cap growth category). Lipper also awarded its top Lipper Leader rating of 5 to the Fund for Preservationⁱ versus its peers overall as of December 31, 2015. As measured by Morningstar², the Fund outpaced the category average return of its peers for the one-, five- and ten-year periods ended December 31, 2015 (mid-cap growth category). Additionally, Morningstar gave the Fund an overall Risk rating of Below Averageⁱⁱ as of December 31, 2015.

- The Value Line Mid Cap Focused Fund, Inc., formerly The Value Line Fund, Inc., outpaced the category average return of its peers for the one-, three- and five-year periods ended December 31, 2015, as noted by leading independent mutual fund advisory service Lipper Inc.¹ (mid-cap growth category). Lipper also awarded its top Lipper Leader rating of 5 to the Fund for Preservationⁱⁱⁱ and Tax Efficiencyⁱⁱⁱ versus its peers overall as of December 31, 2015. As measured by Morningstar², the Fund outpaced the category average return of its peers for the one-, three- and five-year periods ended December 31, 2015 (mid-cap growth category). Additionally, the Fund was given an overall Risk rating of Low^{iv} by Morningstar as of December 31, 2015.

- Value Line Income and Growth Fund, Inc. outpaced the category average return of its peers for the one-, three-, five- and ten-year periods ended December 31, 2015, as noted by leading independent mutual fund advisory service Lipper Inc.¹ (mixed-asset target allocation moderate category). Lipper also awarded its top Lipper Leader rating of 5 to the Fund for Total Return^v and Consistent Return^v versus its peers overall as of December 31, 2015. As measured by Morningstar², the Fund outpaced the category average return of its peers for the one-, three-, five- and ten-year periods ended December 31, 2015 (moderate allocation category). Additionally, the Fund earned an overall four-star rating from Morningstar² in the moderate allocation category among 865 funds as of December 31, 2015 based on risk-adjusted returns. Morningstar gave the Fund an overall Risk rating of Below Average^{vi}

- Value Line Larger Companies Focused Fund, Inc., formerly Value Line Larger Companies Fund, Inc., outpaced the category average return of its peers for the one-, three- and five-year periods ended December 31, 2015, as noted by leading independent mutual fund advisory service Lipper Inc.¹ (larger-cap growth category). Lipper also awarded its top Lipper Leader rating of 5 to the Fund for Preservation^{vii} versus its peers overall as of December 31, 2015. As measured by Morningstar², the Fund outpaced the category average return of its peers for the one-, three- and five-year periods ended December 31, 2015 (large growth category). Additionally, the Fund earned an overall four-star rating from Morningstar² in the large growth category among 1,542 funds as of December 31, 2015 based on risk-adjusted returns. Morningstar gave the Fund an overall Risk rating of Below Average^{viii} by Morningstar² as of December 31, 2015.

On the following pages, the Funds' portfolio managers discuss the management of their respective Funds during the annual period. The discussions highlight key factors influencing recent performance of the Funds. You will also find a schedule of investments and financial statements for each of the Funds.

Before reviewing the performance of your individual mutual fund investment(s), we encourage you to take a brief look at the major factors affecting the financial markets during the 12 months ended December 31, 2015, especially given the newsworthy events of the annual period. With the significant shifts during 2015 in several long-standing drivers of the capital markets, we also invite you to take this time to consider a broader diversification strategy by including additional Value Line Funds in your investment portfolio. You can find out more about the entire family of Value Line Funds at our website, www.vlfunds.com.

Economic Review

The capital markets were focused for much of the annual period on possible tightening by the Federal Reserve (the Fed). While improving job numbers were supportive of a rise in rates, the Fed's inflation target of 2% remained elusive. Indeed, the headline Consumer Price Index (CPI) rose just 0.7% year over year before seasonal adjustment as of December 2015. Core inflation, which excludes food and energy, was up 2.1% in December 2015 from a year earlier. Notably, while the food segment of the CPI increased 0.8% during the 12 months ended December 2015, the energy segment of the CPI, despite rising in the months of May, June, July and October 2015, declined 12.6% over the same 12-month span.

Amidst this backdrop, the long-awaited first hike of short-term interest rates in more than nine years was finally announced at the Fed's December 2015 meeting. The increase in the targeted federal funds rate was a modest 25 basis points. (A basis point is 1/100th of a percentage point.)

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President's Letter (unaudited) (continued)

Despite the U.S. unemployment rate drop from 5.6% at year-end 2014 to 5.0% at year-end 2015 and a marked improvement in job creation, consumer spending remained somewhat lackluster and wage inflation remained muted. All told, then, U.S. real Gross Domestic Product (GDP) got off to a slow start in 2015, contracting at a 0.2% annualized rate from January through March. This was a significant deceleration from the 2.2% pace of U.S. economic growth seen in the fourth quarter of 2014. The contraction in first quarter GDP was largely a reflection of weak consumer spending in part due to harsh winter weather and in part due to mixed employment data. A sharp drop in exports due to the strong U.S. dollar and a labor strike in west coast ports also contributed to weak first quarter economic growth. In the second quarter of 2015, U.S. GDP grew at a strong annualized rate of 3.9%, in large part based on better consumer spending, before slowing to 2.0% in the third quarter. The slowdown in the third quarter reflected a downturn in private inventory investment and deceleration in exports, non-residential fixed investment and state and local government spending compared to the quarter prior. According to the advance estimate, U.S. GDP for the fourth quarter of 2015 slowed to an annualized pace of 0.7%, as heightened volatility in the capital markets, geopolitical tensions and global economic factors combined to impact U.S. economic growth.

Equity Market Review

U.S. equities, as measured by the S&P 500® Index³, gained 1.38% during the 12 months ended December 31, 2015. The equity market saw increased volatility, stemming from weak global economic growth, a decelerating economy and currency devaluation in China, intensified geopolitical tensions, and a drop of almost 40% in oil prices. The fact that the Fed only felt confident enough about the U.S. economy to begin raising interest rates in the waning weeks of the calendar year also weighed on U.S. equity performance. The strength of the U.S. dollar also created a headwind for companies doing business outside of the U.S. These factors more than offset the positive trends of rising consumer confidence, increasing home prices, relatively stable inflation and declining unemployment.

Within the U.S. equity market, large-cap stocks, particularly mega-caps, performed best for the second consecutive year, while mid-cap and small-cap stocks lagged, actually generating negative returns. Growth stocks outperformed value stocks across the capitalization spectrum. Of particular note during 2015 was the narrowness of the market, wherein the gain in the S&P 500® Index came mainly from just a few of the largest-cap stocks. Just ten stocks accounted for approximately 40% of the total positive contribution to the S&P 500® Index return, meaning the average stock in the S&P 500® Index fared worse, as corporate earnings broadly became weaker.

There was a notable divergence among sectors during the year, too. Only five of the ten sectors of the S&P 500® Index posted positive returns during the annual period. Consumer discretionary, health care, information technology, consumer staples and telecommunication services were the best relative performers. Conversely, energy was by far the worst performing sector in the S&P 500® Index, followed by materials, utilities, industrials and financials.

Fixed Income Market Review

The broad U.S. investment grade fixed income market, as measured by the Barclays U.S. Aggregate Bond Index⁴, posted a return of 0.55% during the annual period. Interest rates rose across the yield curve, or spectrum of maturities, with the biggest relative increase occurring in two-year U.S. Treasuries. This reflected the expectations for tightening Fed policy. The rate rise toward the longer-term end of the yield curve was more modest, as inflation seemed to be well contained. More specifically, the yield on the two-year U.S. Treasury bill rose approximately 39 basis points, while the yield on the bellwether 10-year U.S. Treasury note rose approximately 10 basis points and the yield on the 30-year U.S. Treasury bond increased approximately 26 basis points during the annual period. In turn, the yield curve steepened on the shorter end of the yield curve and flattened from the 10-year to 30-year segments. A steepening yield curve is one in which the differential in yields of securities with various maturities widens, and a flattening yield curve is one in which the differential in yields of securities with various maturities narrows.

Throughout the annual period, all eyes were on the Fed, as there were expectations the U.S. central bank would begin its long anticipated raising of short-term interest rates. The two primary areas of concern for the Fed were job creation and inflation. Much progress was made on the jobs front, with the U.S. unemployment rate declining to 5% from 5.6% at the start of 2015. However, not as much progress was made on the inflation front, as the inflation rate still fell short of the Fed's 2% target. GDP was also disappointing, hurt by the persistent strength of the U.S. dollar and overall weak global demand. Consumer spending was lackluster, despite significant savings at the gas pump as oil prices fell from

approximately \$60 per barrel to approximately \$37 per barrel.

Amidst this backdrop, “anything but energy” ruled the fixed income market during the annual period, and higher quality sectors outperformed lower quality sectors. The securitized sector, particularly mortgage-backed securities, and the financial sector within the corporate bond universe, were the major beneficiaries of this sentiment. Within the U.S. Treasury sector, intermediate U.S. Treasury bonds fared best, offering a perceived safe haven from global economic weakness and energy turbulence. U.S. Treasury bonds additionally gained favor versus other sovereign debt, as central banks in Europe and Asia eased monetary policy, resulting in lower interest rates than what was available in the U.S. On the other hand, demand for corporate bonds suffered, as investors focused on the highest credit quality sectors. Long-dated corporate bonds were particularly poor performers. Similarly, high yield corporate bonds had a dismal year, reflecting the falloff in energy prices and weakness in the

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metals and mining industries. Many companies in these industries were stripped of their investment grade ratings, and subsequently, high yield corporate bonds absorbed the brunt of the dramatic decline in energy prices. That said, even within the high yield corporate bond sector, there was substantial variation among returns within quality tiers. The highest quality BB-rated bonds returned -1.06%, while the much lower-quality CCC-rated bonds returned -12.11%. Sovereign issuers were also poor performers, as emerging markets got hit by slowing economic growth and weakening energy markets.

* * *

We thank you for trusting us to be a part of your long-term, comprehensive investment strategy. We appreciate your confidence in the Value Line Funds and look forward to serving your investment needs in the years ahead just as we have been helping to secure generations' financial futures for more than 60 years — based on solid fundamentals, sound investment principles and the power of disciplined and rigorous analytics. If you have any questions or would like additional information on these or other Value Line Funds, we invite you to contact your investment representative or visit us at www.vlfunds.com.

Sincerely,

Mitchell Appel

President of the Value Line Funds

Past performance does not guarantee future results. Investment return and principal value of an investment can fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost; and that current performance may be lower or higher than the performance data quoted. Investors should carefully consider the investment objective, risks, charges and expense of a fund. This and other important information about a fund is contained in the fund's prospectus. A copy of our funds' prospectuses can be obtained free of charge by going to our website at www.vlfunds.com or calling 800.243.2729.

The Value Line Funds are distributed by EULAV Securities LLC.

1

Lipper Rankings represent the funds' ranking within its Lipper asset class peer group and are based on total return performance and do not reflect the effect of sales charges. Although a fund may outperform peers when compared to Lipper peer groups, the returns for that time period may still be negative. Rankings shown include management fees and are provided by Lipper Inc., a leading independent performance analysis service. This information is provided for educational purposes only and should not be considered investment advice. Lipper ratings are not intended to predict future results, and Lipper does not guarantee the accuracy of this information. Past performance is no guarantee of future results. Lipper Leader ratings are derived from highly sophisticated formulas that analyze funds against clearly defined criteria. Funds are compared to similar funds, and only those that trust stand out are awarded Lipper Leader status. Funds are ranked against their peers on each of four measures: Total Return, Consistent Return, Preservation and Expense. A fifth measure, Tax Efficiency, applies in the United States. Scores are subject to change every month and are calculated for the following periods: 3-year, 5-year, 10-year and overall. The overall calculation is based on an equal-weighted average of percentile ranks for each measure over 3-year, 5-year and 10-year periods (if applicable). For each measure, the highest 20% of funds in each peer group are named Lipper Leaders. The next 20% receive a rating of 4; the middle 20% are rated 3; the next 20% are rated 2; and the lowest 20% are rated 1.

i

For Value Line Premier Growth Fund, Inc.: Preservation 5 rating for 3-year (11,544 funds), 5-year (9,702 funds), 10-year (5,945 funds) and Overall (11,544 funds) periods ended December 31, 2015.

iii

For Value Line Mid Cap Focused Fund, Inc.: Preservation 5 rating for 3-year (11,544 funds), 5-year (9,702 funds) and Overall (11,544 funds) periods ended December 31, 2015; 4 rating for 10-year (5,945 funds) period ended

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December 31, 2015. Tax Efficiency 5 rating for 3-year (342 funds), 5-year (313 funds) and Overall (342 funds) periods ended December 31, 2015; 4 rating for 10-year (221 funds) period ended December 31, 2015.

v

For Value Line Income and Growth Fund, Inc.: Total Return 5 rating for 3-year (516 funds), 5-year (438 funds), 10-year (319 funds) and overall (516 funds) periods ended December 31, 2015. Consistent Return 5 rating for 3-year (514 funds), 5-year (438 funds), 10-year (317 funds) and Overall (516 funds) periods ended December 31, 2015.

vii

For Value Line Larger Companies Focused Fund, Inc.: Preservation 5 rating for 3-year (11,544 funds), 5-year (9,702) funds, 10-year (5,945 funds) and Overall (11,544 funds) periods ended December 31, 2015.

2

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

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President's Letter (unaudited) (continued)

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 ratings/40% three-year rating. At least 10 years uses 50% ten-year rating/30% five-year rating/20% three-year rating.

ii

For Value Line Premier Growth Fund, Inc.: Morningstar Risk: Low for the 3-year and 5-year periods ended December 31, 2015; Below Average for the 10-year and overall periods ended December 31, 2015. All in the mid-cap growth category.

iv

For The Value Line Mid Cap Focused Fund, Inc.: Morningstar Risk: Low for the 3-year, 5-year, 10-year and overall periods ended December 31, 2015. All in the mid-cap growth category.

vi

For Value Line Income and Growth Fund: Four-star rating for 3-year (865 funds), 5-year (745 funds), 10-year (505 funds) and overall (865 funds) periods ended December 31, 2015. All in the moderate allocation category. Morningstar Risk: High for 3-year period ended December 31, 2015; Average for 5-year period ended December 31, 2015; Below Average for the 10-year and overall periods ended December 31, 2015. All in the moderate allocation category.

viii

For Value Line Larger Companies Focused Fund, Inc.: Four-star rating for 3-year (1,542 funds), five-year (1,326 funds) and overall (1,542 funds) periods ended December 31, 2015; three-star rating for 10-year (933 funds) period ended December 31, 2015. All in the large growth category. Morningstar Risk: Below Average for the 3-year, 5-year, 10-year and overall periods ended December 31, 2015. All in the large growth category.

3

The S&P 500® Index consists of 500 stocks that 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, and it is not possible to directly invest in this index.

4

The Barclays U.S. Aggregate Bond Index is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including U.S. Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS. This is an unmanaged index and does not reflect charges, expenses or taxes, which are deducted from the Fund's return. It is not possible to directly invest in this index.

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VALUE LINE PREMIER GROWTH FUND, INC.

INVESTMENT OBJECTIVE AND STRATEGY (condensed) (unaudited)

The Fund primarily seeks long-term growth of capital.

To achieve the Fund's goal, the Fund's investment adviser EULAV Asset Management (the "Adviser") generally invests at least 80% of the Fund's net assets in a diversified portfolio of U.S. equity securities with favorable growth prospects. In selecting securities for purchase or sale, the Adviser generally analyzes the issuer of a security using fundamental factors such as growth potential and earnings estimates and quantitative factors such as historical earnings, earnings momentum and price momentum. The Fund may invest in small, mid or large capitalization companies, including foreign companies. There are no set limitations of investments according to a company's size, or to a sector weighting.

Manager Discussion of Fund Performance

Below, Value Line Premier Growth Fund, Inc. portfolio manager Stephen E. Grant discusses the Fund's performance and positioning for the 12 months ended December 31, 2015.

How did the Fund perform during the annual period?

The Fund generated a total return of 0.25% during the 12 months ended December 31, 2015. This compares to the 1.38% return of the Fund's benchmark, the S&P 500® Index, during the same annual period.

What key factors were responsible for the Fund's performance during the 12-month reporting period?

The Fund lagged the S&P 500® Index during the 12-month reporting period after fees and expenses, although stock selection and sector allocation decisions overall contributed positively, albeit modestly, to relative results.

It was a very narrow market, where the gain in the S&P 500® Index came mainly from just a few of the largest-cap stocks. This handicapped the Fund since its average cap weighting is much less than that of the benchmark. Indeed, less than half of the Fund's holdings are large-cap stocks and very few, if any, would be considered mega-cap stocks; rather mid-cap stocks, which lagged during the annual period, dominate the holdings.

On the plus side, growth-oriented stocks outperformed value-oriented stocks during the annual period, and the Fund leans more toward the growth end of the spectrum. Also, the Fund invests primarily in higher quality, more consistent, less volatile stocks. This strategy proved particularly effective in the second half of 2015 when lower quality, more speculative issues performed worst.

Which equity market sectors most significantly affected Fund performance?

Having an underweighted allocation to energy, which was the weakest performing sector in the S&P 500® Index during the annual period, helped relative results most. Having an underweighted exposure to financials, which also lagged the S&P 500® Index during the annual period, further boosted the Fund's performance. Stock selection proved most effective in the financials and information technology sectors. In information technology, the Fund benefited from holding positions in application software providers Ultimate Software Group and Salesforce.com and specialty consumer finance company Fiserv, which each saw double-digit share price gains during the annual period.

Partially offsetting these positive contributors was stock selection in the consumer discretionary sector, which detracted. The Fund's relative results were hampered by not owning e-commerce retailer Amazon.com, whose share price more than doubled in the year, and to a lesser extent, by not owning home improvement retailer Home Depot, whose shares saw strong double-digit gains during the annual period. As mentioned earlier, the Fund generally does not invest in mega-cap stocks such as these. Having an overweighted allocation to industrials, which underperformed the S&P 500® Index during the annual period, also hurt.

What were some of the Fund's best-performing individual stocks?

Among the individual stocks that contributed most to the Fund's relative results were lighting and control systems producer Acuity Brands in the industrials sector, packaged food producer Hormel Foods in the consumer staples sector and the previously mentioned Ultimate Software Group. Each of these company's stocks were boosted during the annual period by strong quarterly operating results.

Which stocks detracted significantly from the Fund's performance during the annual period?

As mentioned earlier, not owning Amazon.com, whose stock more than doubled during the annual period, detracted significantly. Also, not holding positions in Alphabet (parent of Google), Microsoft or General Electric, which each saw their shares gain substantially during the annual period, dampened the Fund's relative results. None of the Fund's holdings cost the Fund as much individually as did not holding these four positions.

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VALUE LINE PREMIER GROWTH FUND, INC.

Manager Discussion (continued) (unaudited)

How did the Fund use derivatives and similar instruments during the reporting period?

The Fund did not use derivatives during the reporting period.

Did the Fund make any significant purchases or sales during the annual period?

During the annual period, we established new Fund positions in integrated pharmacy health care provider CVS Health, life science equipment developer Illumina and aerospace and defense company Northrop Grumman, in each case based on strong recent operating results and the companies' long-term records of consistently good growth. Among the largest eliminations from the Fund's portfolio was a position in Sigma-Aldrich, a specialty chemicals company, due to its acquisition by Germany's Merck. We also sold the Fund's positions in flow control equipment manufacturer Parker-Hannifin, supplemental insurance company AFLAC and aircraft and parts provider United Technologies. In each case, the exiting of the position from the Fund's portfolio was due to weaker than expected operating results and diminished long-term growth records.

Were there any notable changes in the Fund's weightings during the 12-month period?

Based on purchases and sales and individual stock appreciation and depreciation, the Fund's allocation to the consumer discretionary sector shifted from a slightly underweighted one at the start of 2015 to a more significantly underweighted position at the end of the annual period. There were no other material changes in the Fund's sector weightings during the 12-month period ended December 31, 2015.

How was the Fund positioned relative to its benchmark index at the end of December 2015?

As of December 31, 2015, the Fund was overweighted relative to the S&P 500® Index in the industrials and materials sectors. The Fund was underweighted relative to the S&P 500® Index in the financials, energy, information technology and consumer discretionary sectors and was rather neutrally weighted relative to the Index in the consumer staples, health care, utilities and telecommunication services sectors on the same date.

What is your tactical view and strategy for the months ahead?

Regardless of market conditions, we intend to stay true to our time-tested investment discipline going forward, seeking to invest in companies that have demonstrated a solid history of consistent growth in both their earnings and stock price. In our view, these companies possess attractive portfolios of proprietary products and services that give them strong market positions and make them less vulnerable to swings in national and international economic conditions. At the same time, we believe the underlying stocks of these companies tend to be less volatile than the average stock in the S&P 500® Index. By maintaining our investment discipline, the Fund has historically provided a smoother ride to investors than its peer group averages. Putting aside short-term ebbs and flows in the equity market, we believe the Fund's investments are likely to provide superior returns to our shareholders over the long term.

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Value Line Premier Growth Fund, Inc.

Portfolio Highlights at December 31, 2015 (unaudited)

Ten Largest Holdings

| Issue | Shares | Value | Percentage of Net Assets |
|-------------------------------------|---------|--------------|--------------------------------|
| Roper Technologies, Inc. | 39,000 | \$ 7,401,810 | 2.2% |
| Waste Connections, Inc. | 115,800 | 6,521,856 | 2.0% |
| Alexion Pharmaceuticals, Inc. | 33,800 | 6,447,350 | 2.0% |
| Ultimate Software Group, Inc. (The) | 32,500 | 6,354,075 | 1.9% |
| Fiserv, Inc. | 68,400 | 6,255,864 | 1.9% |
| Henry Schein, Inc. | 38,800 | 6,137,772 | 1.9% |
| Mettler-Toledo International, Inc. | 17,700 | 6,002,601 | 1.8% |
| MasterCard, Inc. | 61,000 | 5,938,960 | 1.8% |
| Acuity Brands, Inc. | 25,300 | 5,915,140 | 1.8% |
| Salesforce.com, Inc. | 75,000 | 5,880,000 | 1.8% |

Asset Allocation – Percentage of Net Assets

Sector Weightings – Percentage of Total Investment Securities*

*
Sector weightings exclude short-term investments.

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Value Line Premier Growth Fund, Inc.

Portfolio Highlights at December 31, 2015 (unaudited) (continued)

The following graph compares the performance of the Value Line Premier Growth Fund, Inc. to that of the S&P 500® Index (the “Index”). The Value Line Premier Growth Fund, Inc. is a professionally managed mutual fund, while the Index is not available for investment and is unmanaged. The returns for the Index do not reflect charges, expenses or taxes, but do include the reinvestment of dividends. The comparison is shown for illustrative purposes only.

Comparison of a Change in Value of a \$10,000 Investment in the Value Line Premier Growth Fund, Inc. and the S&P 500® Index*

Performance Data: **

| | Average Annual Total Return |
|-------------------------|--------------------------------------|
| 1 year ended 12/31/15 | 0.25% |
| 5 years ended 12/31/15 | 10.79% |
| 10 years ended 12/31/15 | 7.73% |

*

The Standard and Poor’s 500® Stock Index is an unmanaged index that is representative of the larger-capitalization stocks traded in the United States.

**

The performance data quoted represent past performance and are no guarantee of future performance. The average annual total returns and growth of an assumed investment of \$10,000 include dividends reinvested and capital gains distributions accepted in shares. The investment return and principal value of an investment will fluctuate so that an investment, when redeemed, may be worth more or less than its original cost. The performance data and graph do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

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Schedule of Investments

| Shares | | Value |
|--------------------------------------|---|--------------|
| COMMON STOCKS (99.7%) | | |
| CONSUMER DISCRETIONARY (7.9%) | | |
| 7,400 | AutoZone, Inc.* | \$ 5,490,134 |
| 2,700 | Buffalo Wild Wings, Inc.* | 431,055 |
| 16,200 | Domino's Pizza, Inc. | 1,802,250 |
| 112,000 | LKQ Corp.* | 3,318,560 |
| 22,600 | O'Reilly Automotive, Inc.* | 5,727,292 |
| 80,600 | TJX Companies, Inc. (The) | 5,715,346 |
| 48,800 | VF Corp. | 3,037,800 |
| 33,600 | Wolverine World Wide, Inc. | 561,456 |
| | | 26,083,893 |
| CONSUMER STAPLES (10.2%) | | |
| 81,000 | BRF S.A. ADR(1) | 1,119,420 |
| 21,300 | Brown-Forman Corp. Class B | 2,114,664 |
| 67,400 | Church & Dwight Co., Inc. | 5,720,912 |
| 13,100 | Coca-Cola Femsa, S.A.B. de C.V. ADR(1) | 927,611 |
| 23,000 | Costco Wholesale Corp. | 3,714,500 |
| 42,000 | CVS Health Corp. | 4,106,340 |
| 19,800 | Edgewell Personal Care Co. | 1,551,726 |
| 19,400 | Energizer Holdings, Inc. | 660,764 |
| 71,012 | Flowers Foods, Inc. | 1,526,048 |
| 20,000 | Fomento Economico Mexicano S.A.B. de C.V. ADR | 1,847,000 |
| 64,000 | General Mills, Inc. | 3,690,240 |
| 55,000 | Hormel Foods Corp. | 4,349,400 |
| 4,000 | McCormick & Co., Inc. | 342,240 |

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| | | |
|--------|--|------------|
| 44,000 | Reynolds American, Inc. | 2,030,600 |
| | | 33,701,465 |
| | ENERGY (2.8%) | |
| 2,600 | CNOOC Ltd. ADR(1) | 271,388 |
| 14,600 | Core Laboratories N.V.(1) | 1,587,604 |
| 24,000 | Enbridge, Inc. | 796,560 |
| 41,873 | EQT Corp. | 2,182,840 |
| 51,400 | Noble Energy, Inc. | 1,692,602 |
| 12,000 | Oceaneering International, Inc. | 450,240 |
| 32,000 | ONEOK, Inc. | 789,120 |
| 5,346 | Pioneer Natural Resources Co. | 670,281 |
| 26,000 | TransCanada Corp.(1) | 847,340 |
| | | 9,287,975 |
| Shares | | Value |
| | FINANCIALS (7.0%) | |
| 8,000 | ACE Ltd. | \$ 934,800 |
| 9,000 | Affiliated Managers Group, Inc.* | 1,437,840 |
| 3,000 | Alleghany Corp.* | 1,433,790 |
| 36,000 | American Tower Corp. REIT | 3,490,200 |
| 45,000 | Arch Capital Group Ltd.* | 3,138,750 |
| 23,200 | Equity Lifestyle Properties, Inc. REIT | 1,546,744 |
| 14,153 | Essex Property Trust, Inc. REIT | 3,388,370 |
| 75,500 | HDFC Bank Ltd. ADR | 4,650,800 |
| 18,600 | M&T Bank Corp. | 2,253,948 |
| 22,000 | PRA Group, Inc.*(1) | 763,180 |
| | | 23,038,422 |
| | HEALTH CARE (16.2%) | |
| 33,800 | Alexion Pharmaceuticals, Inc.* | 6,447,350 |
| 6,334 | Allergan PLC* | 1,979,375 |
| 7,000 | Anthem, Inc. | 976,080 |

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| | | |
|---------|---|--------------|
| 22,600 | C.R. Bard, Inc. | 4,281,344 |
| 40,000 | Cerner Corp.* | 2,406,800 |
| 13,000 | DENTSPLY International, Inc. | 791,050 |
| 46,000 | Express Scripts Holding Co.* | 4,020,860 |
| 38,800 | Henry Schein, Inc.* | 6,137,772 |
| 57,400 | IDEXX Laboratories, Inc.* | 4,185,608 |
| 23,000 | Illumina, Inc.* | 4,414,735 |
| 22,000 | McKesson Corp. | 4,339,060 |
| 49,100 | Mednax, Inc.* | 3,518,506 |
| 17,700 | Mettler-Toledo International, Inc.* | 6,002,601 |
| 54,000 | Novo Nordisk A/S ADR(1) | 3,136,320 |
| 8,000 | Universal Health Services, Inc. Class B | 955,920 |
| | | 53,593,381 |
| | INDUSTRIALS (29.0%) | |
| 25,300 | Acuity Brands, Inc. | 5,915,140 |
| 103,750 | AMETEK, Inc. | 5,559,962 |
| 39,200 | AZZ, Inc. | 2,178,344 |
| 63,800 | Canadian National Railway Co.(1) | 3,565,144 |
| 74,600 | CLARCOR, Inc. | 3,706,128 |
| 61,000 | Danaher Corp. | 5,665,680 |
| 26,000 | EnerSys | 1,454,180 |
| 14,800 | Equifax, Inc. | 1,648,276 |
| 9,800 | Esterline Technologies Corp.* | 793,800 |
| Shares | | Value |
| | INDUSTRIALS (29.0%) (continued) | |
| 20,000 | General Dynamics Corp. | \$ 2,747,200 |
| 30,762 | HEICO Corp. | 1,672,222 |
| 31,850 | IDEX Corp. | 2,440,029 |
| 18,600 | IHS, Inc. Class A* | 2,202,798 |
| 17,800 | ITT Corp. | 646,496 |
| 33,000 | J.B. Hunt Transport Services, Inc. | 2,420,880 |

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| | | |
|---------|---|------------|
| 26,000 | Kansas City Southern | 1,941,420 |
| 33,000 | Kirby Corp.* | 1,736,460 |
| 11,119 | Lincoln Electric Holdings, Inc. | 576,965 |
| 12,000 | Northrop Grumman Corp. | 2,265,720 |
| 38,500 | Republic Services, Inc. | 1,693,615 |
| 123,900 | Rollins, Inc. | 3,209,010 |
| 39,000 | Roper Technologies, Inc. | 7,401,810 |
| 50,700 | Rush Enterprises, Inc. Class A* | 1,109,823 |
| 28,500 | Snap-on, Inc. | 4,885,755 |
| 37,600 | Stericycle, Inc.* | 4,534,560 |
| 50,200 | Teledyne Technologies, Inc.* | 4,452,740 |
| 79,300 | Toro Co. (The) | 5,794,451 |
| 40,000 | Union Pacific Corp. | 3,128,000 |
| 53,200 | Wabtec Corp. | 3,783,584 |
| 115,800 | Waste Connections, Inc. | 6,521,856 |
| | | 95,652,048 |
| | INFORMATION TECHNOLOGY (16.8%) | |
| 47,000 | Accenture PLC Class A | 4,911,500 |
| 21,000 | Alliance Data Systems Corp.* | 5,807,970 |
| 78,400 | Amphenol Corp. Class A | 4,094,832 |
| 5,700 | Anixter International, Inc.* | 344,223 |
| 61,600 | ANSYS, Inc.* | 5,698,000 |
| 17,000 | Automatic Data Processing, Inc. | 1,440,240 |
| 39,000 | Cognizant Technology Solutions Corp. Class A* | 2,340,780 |
| 68,400 | Fiserv, Inc.* | 6,255,864 |
| 28,400 | Intuit, Inc. | 2,740,600 |
| 61,000 | MasterCard, Inc. Class A | 5,938,960 |
| 75,000 | Salesforce.com, Inc.* | 5,880,000 |

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| | | |
|--------|--------------------------------------|------------|
| 51,000 | Trimble Navigation Ltd.* | 1,093,950 |
| 32,500 | Ultimate Software Group, Inc. (The)* | 6,354,075 |
| 27,600 | WEX, Inc.* | 2,439,840 |
| | | 55,340,834 |

See Notes to Financial Statements.

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Schedule of Investments (continued)

December 31, 2015

| Shares | | Value |
|--|---------------------------------------|----------------|
| COMMON STOCKS (99.7%) (continued) | | |
| MATERIALS (8.0%) | | |
| 15,000 | Air Products & Chemicals, Inc. | \$ 1,951,650 |
| 23,500 | Airgas, Inc. | 3,250,520 |
| 23,700 | AptarGroup, Inc. | 1,721,805 |
| 36,400 | Ball Corp. | 2,647,372 |
| 45,000 | Crown Holdings, Inc.* | 2,281,500 |
| 48,400 | Ecolab, Inc. | 5,535,992 |
| 40,000 | FMC Corp. | 1,565,200 |
| 600 | NewMarket Corp. | 228,438 |
| 23,000 | Praxair, Inc. | 2,355,200 |
| 20,200 | Scotts Miracle-Gro Co. (The) Class A | 1,303,102 |
| 43,200 | Valspar Corp. (The) | 3,583,440 |
| | | 26,424,219 |
| TELECOMMUNICATION SERVICES (1.3%) | | |
| 40,000 | SBA Communications Corp. Class A* | 4,202,800 |
| Shares | | Value |
| UTILITIES (0.5%) | | |
| 45,000 | ITC Holdings Corp. | \$ 1,766,250 |
| TOTAL COMMON STOCKS | | 329,091,287 |
| (Cost \$170,792,757) (99.7%) | | |
| SHORT-TERM INVESTMENT (3.0%) | | |
| MONEY MARKET FUND (3.0%) | | |
| | State Street Navigator | |
| 10,019,593 | Securities Lending Prime Portfolio(2) | 10,019,593 |
| TOTAL SHORT-TERM INVESTMENTS | | 10,019,593 |
| (Cost \$10,019,593) (3.0%) | | |
| TOTAL INVESTMENT SECURITIES | | \$ 339,110,880 |
| (102.7%) | | |
| (Cost \$180,812,350) | | |
| | | (8,985,418) |

EXCESS OF LIABILITIES OVER
CASH

AND OTHER ASSETS (-2.7%)

NET ASSETS (100%) \$ 330,125,462

NET ASSET VALUE OFFERING
AND

REDEMPTION PRICE, PER
OUTSTANDING SHARE \$ 28.93

(\$330,125,462 ÷ 11,409,229
shares outstanding)

*

Non-income producing.

(1)

A portion or all of the security was held on loan. As of December 31, 2015, the market value of the securities on loan was \$9,748,071.

(2)

Securities with an aggregate market value of \$9,748,071 were out on loan in exchange for \$10,019,593 of cash collateral as of December 31, 2015. The collateral was invested in a cash collateral reinvestment vehicle as described in Note 1J in the Notes to Financial Statements.

ADR

American Depositary Receipt.

REIT

Real Estate Investment Trust.

The following table summarizes the inputs used to value the Fund's investments in securities as of December 31, 2015 (See Note 1B):

| Investments in Securities: | Level 1 | Level 2 | Level 3 | Total |
|---------------------------------|----------------|---------|---------|----------------|
| Assets | | | | |
| Common Stocks* | \$ 329,091,287 | \$ — | \$ — | \$ 329,091,287 |
| Short-Term Investment | 10,019,593 | — | — | 10,019,593 |
| Total Investments in Securities | \$ 339,110,880 | \$ — | \$ — | \$ 339,110,880 |

*

See Schedule of Investments for further classification.

See Notes to Financial Statements.

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VALUE LINE MID CAP FOCUSED FUND, INC.

INVESTMENT OBJECTIVE AND STRATEGY (condensed) (unaudited)

The Fund's primary investment objective is long-term growth of capital. Current income is a secondary investment objective.

To achieve the Fund's investment objectives EULAV Asset Management (the "Adviser") invests substantially all of the Fund's net assets in common stocks. Under normal circumstances, the Adviser expects that the Fund's portfolio will generally consist of positions in 30 to 50 companies. The Adviser generally invests at least 80% of the Fund's assets in common stocks and other equity securities of mid-sized companies. The Fund considers companies to be mid-sized if they have market capitalizations within the range of issuers represented in the S&P MidCap 400 Index at the time of purchase. While the Fund is actively managed by the Adviser, the Adviser relies primarily on the rankings of companies by the Value Line Timeliness™ Ranking System (the "Ranking System") in selecting securities for purchase or sale. The Adviser will determine the percentage of the Fund's assets invested in each stock based on the stock's relative attractiveness. The Adviser may sell securities for a variety of reasons, such as to secure gains, limit losses or redeploy assets into more promising opportunities.

Manager Discussion of Fund Performance

Effective April 1, 2015, The Value Line Fund, Inc. was renamed the Value Line Mid Cap Focused Fund. Below, The Value Line Mid Cap Focused Fund, Inc. portfolio manager Stephen E. Grant discusses the Fund's performance and positioning for the 12 months ended December 31, 2015.

How did the Fund perform during the annual period?

The Fund generated a total return of 2.95% during the 12 months ended December 31, 2015. This compares to the 1.38% return of the Fund's benchmark, the S&P 500® Index, during the same annual period.

What key factors were responsible for the Fund's performance during the 12-month reporting period?

The Fund outpaced the S&P 500® Index during the 12-month reporting period due primarily to effective stock selection. Sector allocation decisions overall also contributed positively, albeit more modestly.

It was a very narrow market, where the gain in the S&P 500® Index came mainly from just a few of the largest-cap stocks. This handicapped the Fund since its average cap weighting is much less than that of the benchmark. Indeed, less than half of the Fund's holdings are large-cap stocks and very few, if any, would be considered mega-cap stocks; rather mid-cap stocks, which lagged during the annual period, dominate the holdings.

On the plus side, growth-oriented stocks outperformed value-oriented stocks during the annual period, and the Fund leans more toward the growth end of the spectrum. Also, the Fund invests primarily in higher quality, more consistent, less volatile stocks. This strategy proved particularly effective in the second half of 2015 when lower quality, more speculative issues performed worst.

Further, the Fund's new focused strategy, implemented in late 2014 — what we like to call our "Best Ideas" approach — proved particularly effective. While stock selection was the primary positive contributor to the Fund's results, performance also benefited from opportunistic timing of buys and sells. The Fund ended the annual period with 44 holdings, down from 49 at the start of 2015 and down from well more than 100 at the start of 2014.

Which equity market sectors most significantly affected Fund performance?

Stock selection in consumer staples and materials contributed most positively to the Fund's performance during the annual period. Having a significantly underweighted allocation to the energy sector, which posted the weakest returns in the S&P 500® Index during 2015, and having an overweighted exposure to the strongly performing consumer staples sector, also helped. In consumer staples, a position in packaged food producer Hormel Foods was an especially strong performer. In materials, specialty gas and related equipment distributor Airgas was an outstanding performer, as its shares rose substantially on its receipt of a takeover offer.

Partially offsetting these positive contributors was both being significantly underweight and having weak stock selection in the strongly performing consumer discretionary sector. In particular, the Fund's relative results were hampered by not owning e-commerce retailer Amazon.com, whose share price more than doubled in the year.

What were some of the Fund's best-performing individual stocks?

Among the individual stocks that contributed most to the Fund's relative results were packaged food producer Hormel Foods in the consumer staples sector, convenience store operator Casey's General Stores in the consumer staples sector

and application software provider Ultimate Software Group in the information technology sector. Each of these company's stocks were boosted during the annual period by strong quarterly operating results.

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VALUE LINE MID CAP FOCUSED FUND, INC.

(continued)

Manager Discussion (continued) (unaudited)

Which stocks detracted significantly from the Fund's performance during the annual period?

During the annual period, the Fund was hurt by its position in railroad Kansas City Southern, whose shares fell based on weaker than expected quarterly operating results. Also, as mentioned earlier, not owning Amazon.com, whose stock more than doubled during the annual period, or Alphabet (parent of Google), which similarly saw its shares gain substantially, dampened the Fund's relative results.

How did the Fund use derivatives and similar instruments during the reporting period?

The Fund did not use derivatives during the reporting period.

Did the Fund make any significant purchases or sales during the annual period?

During the annual period, we established new Fund positions in insurance company Arch Capital Group and aircraft components manufacturer TransDigm Group, each of which has produced strong and consistent operating results and stock performance in both the near term and long term.

Eliminations from the Fund's portfolio during the annual period included pollution control equipment manufacturer Clarcor, flow control equipment manufacturer ITT and asset management company Affiliated Managers, each of which reported weaker than expected operating results and demonstrated diminished long-term growth prospects.

Were there any notable changes in the Fund's weightings during the 12-month period?

There were no material changes in the Fund's sector weightings during the 12-month period ended December 31, 2015.

How was the Fund positioned relative to its benchmark index at the end of December 2015?

As of December 31, 2015, the Fund was overweighted relative to the S&P 500® Index in the industrials, materials and consumer staples sectors. The Fund was underweighted relative to the S&P 500® Index in the financials, energy and consumer discretionary sectors and was rather neutrally weighted relative to the Index in the information technology, health care and utilities sectors on the same date. On December 31, 2015, the Fund held no positions at all in the telecommunication services sector.

What is your tactical view and strategy for the months ahead?

Regardless of market conditions, we intend to stay true to our time-tested investment discipline going forward, seeking to invest in companies that have demonstrated a solid history of consistent growth in both their earnings and stock price. In our view, these companies possess attractive portfolios of proprietary products and services that give them strong market positions and make them less vulnerable to swings in national and international economic conditions. At the same time, we believe the underlying stocks of these companies tend to be less volatile than the average stock in the S&P 500® Index. We expect the number of holdings in the Fund to likely remain in the range of 40 to 45 stocks in 2016. By maintaining our investment discipline, the Fund has historically provided a smoother ride to investors than its peer group averages. Putting aside short-term ebbs and flows in the equity market, we believe the Fund's investments are likely to provide superior returns to our shareholders over the long term.

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Value Line Mid Cap Focused Fund, Inc.
 Portfolio Highlights at December 31, 2015 (unaudited)

Ten Largest Holdings

| Issue | Shares | Value | Percentage of Net Assets |
|-------------------------------------|---------|--------------|--------------------------|
| Hormel Foods Corp. | 54,000 | \$ 4,270,320 | 3.6% |
| Casey's General Stores, Inc. | 33,600 | 4,047,120 | 3.4% |
| Fiserv, Inc. | 43,400 | 3,969,364 | 3.3% |
| Ultimate Software Group, Inc. (The) | 20,100 | 3,929,751 | 3.3% |
| Airgas, Inc. | 27,000 | 3,734,640 | 3.1% |
| Snap-on, Inc. | 21,400 | 3,668,602 | 3.1% |
| Henry Schein, Inc. | 22,700 | 3,590,913 | 3.0% |
| Rollins, Inc. | 137,400 | 3,558,660 | 3.0% |
| Roper Technologies, Inc. | 18,500 | 3,511,115 | 2.9% |
| Waste Connections, Inc. | 61,100 | 3,441,152 | 2.9% |

Asset Allocation – Percentage of Net Assets

Sector Weightings – Percentage of Total Investment Securities*

*
 Sector weightings exclude short-term investments.

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Value Line Mid Cap Focused Fund, Inc.

Portfolio Highlights at December 31, 2015 (unaudited) (continued)

The following graph compares the performance of the Value Line Mid Cap Focused Fund, Inc. to that of the S&P 500® Index (the “Index”). The Value Line Mid Cap Focused Fund, Inc. is a professionally managed mutual fund, while the Index is not available for investment and is unmanaged. The returns for the Index do not reflect charges, expenses or taxes, but do include the reinvestment of dividends. The comparison is shown for illustrative purposes only.

Comparison of a Change in Value of a \$10,000 Investment in the Value Line Mid Cap Focused Fund, Inc. and the S&P 500® Index*

Performance Data: **

| | Average Annual Total Return |
|-------------------------|--------------------------------------|
| 1 year ended 12/31/15 | 2.95% |
| 5 years ended 12/31/15 | 11.99% |
| 10 years ended 12/31/15 | 4.32% |

*

The Standard and Poor’s 500® Stock Index is an unmanaged index that is representative of the larger-capitalization stocks traded in the United States.

**

The performance data quoted represent past performance and are no guarantee of future performance. The average annual total returns and growth of an assumed investment of \$10,000 include dividends reinvested and capital gains distributions accepted in shares. The investment return and principal value of an investment will fluctuate so that an investment, when redeemed, may be worth more or less than its original cost. The performance data and graph do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

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Value Line Mid Cap Focused Fund, Inc.

Schedule of Investments December 31, 2015

| Shares | | Value |
|--------------------------------------|--|--------------|
| COMMON STOCKS (99.6%) | | |
| CONSUMER DISCRETIONARY (3.7%) | | |
| 43,000 | LKQ Corp.* | \$ 1,274,090 |
| 44,000 | TJX Companies, Inc. (The) | 3,120,040 |
| | | 4,394,130 |
| CONSUMER STAPLES (14.2%) | | |
| 8,832 | Boston Beer Co., Inc. (The) Class A*(1) | 1,783,269 |
| 33,600 | Casey's General Stores, Inc. | 4,047,120 |
| 38,000 | Church & Dwight Co., Inc. | 3,225,440 |
| 33,900 | Flowers Foods, Inc. | 728,511 |
| 54,000 | Hormel Foods Corp. | 4,270,320 |
| 24,100 | J&J Snack Foods Corp. | 2,811,747 |
| | | 16,866,407 |
| ENERGY (2.2%) | | |
| 22,400 | Enbridge, Inc. | 743,456 |
| 35,600 | EQT Corp. | 1,855,828 |
| | | 2,599,284 |
| FINANCIALS (1.7%) | | |
| 28,100 | Arch Capital Group Ltd.* | 1,959,975 |
| HEALTH CARE (13.9%) | | |
| 16,200 | C.R. Bard, Inc. | 3,068,928 |
| 22,700 | Henry Schein, Inc.* | 3,590,913 |
| 42,400 | IDEXX Laboratories, Inc.* | 3,091,808 |
| 47,900 | Mednax, Inc.* | 3,432,514 |
| 9,900 | Mettler-Toledo International, Inc.* | 3,357,387 |
| | | 16,541,550 |
| INDUSTRIALS (34.3%) | | |
| 56,750 | AMETEK, Inc. | 3,041,233 |

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| Shares | | Value |
|---------|--------------------------------------|--------------|
| | INDUSTRIALS (34.3%) (continued) | |
| 31,900 | Carlisle Companies, Inc. | \$ 2,829,211 |
| 26,700 | Danaher Corp. | 2,479,896 |
| 36,983 | HEICO Corp. | 2,010,396 |
| 22,200 | Kansas City Southern | 1,657,674 |
| 26,800 | Middleby Corp. (The)* | 2,890,916 |
| 137,400 | Rollins, Inc. | 3,558,660 |
| 18,500 | Roper Technologies, Inc. | 3,511,115 |
| 21,400 | Snap-on, Inc. | 3,668,602 |
| 23,300 | Stericycle, Inc.* | 2,809,980 |
| 31,000 | Teledyne Technologies, Inc.* | 2,749,700 |
| 41,800 | Toro Co. (The) | 3,054,326 |
| 9,800 | TransDigm Group, Inc.* | 2,238,810 |
| 11,400 | Wabtec Corp. | 810,768 |
| 61,100 | Waste Connections, Inc. | 3,441,152 |
| | | 40,752,439 |
| | INFORMATION TECHNOLOGY (18.4%) | |
| 10,300 | Alliance Data Systems Corp.* | 2,848,671 |
| 58,100 | Amphenol Corp. Class A | 3,034,563 |
| 36,200 | ANSYS, Inc.* | 3,348,500 |
| 43,400 | Fiserv, Inc.* | 3,969,364 |
| 39,300 | Open Text Corp. | 1,883,649 |
| 3,700 | Tyler Technologies, Inc.* | 644,984 |
| 20,100 | Ultimate Software Group, Inc. (The)* | 3,929,751 |
| 25,500 | WEX, Inc.* | 2,254,200 |
| | | 21,913,682 |
| | MATERIALS (11.2%) | |
| 27,000 | Airgas, Inc. | 3,734,640 |
| 34,600 | Crown Holdings, Inc.* | 1,754,220 |
| 26,000 | Ecolab, Inc. | 2,973,880 |
| Shares | | Value |
| | MATERIALS (11.2%) (continued) | |

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| | | |
|--|---------------------------------------|----------------|
| 39,100 | Silgan Holdings, Inc. | \$ 2,100,452 |
| 33,600 | Valspar Corp. (The) | 2,787,120 |
| | | 13,350,312 |
| TOTAL COMMON STOCKS | | 118,377,779 |
| (Cost \$87,182,262) (99.6%) | | |
| SHORT-TERM INVESTMENTS (0.8%) | | |
| MONEY MARKET FUNDS (0.8%) | | |
| State Street | | |
| 698,569 | Institutional Liquid Reserves Fund | 698,569 |
| State Street Navigator | | |
| 215,434 | Securities Lending Prime Portfolio(2) | 215,434 |
| TOTAL SHORT-TERM INVESTMENTS | | 914,003 |
| (Cost \$914,003) (0.8%) | | |
| TOTAL INVESTMENT SECURITIES | | \$ 119,291,782 |
| (100.4%) | | |
| (Cost \$88,096,265) | | |
| EXCESS OF LIABILITIES OVER CASH | | (424,810) |
| AND OTHER ASSETS (-0.4%) | | |
| NET ASSETS (100%) | | \$ 118,866,972 |
| NET ASSET VALUE OFFERING AND REDEMPTION PRICE, PER OUTSTANDING SHARE | | \$ 14.99 |
| (\$118,866,972 ÷ 7,929,159 shares outstanding) | | |

*

Non-income producing.

(1)

A portion or all of the security was held on loan. As of December 31, 2015, the market value of the securities on loan was \$210,390.

(2)

Securities with an aggregate market value of \$210,390 were out on loan in exchange for \$215,434 of cash collateral as of December 31, 2015. The collateral was invested in a cash collateral reinvestment vehicle as described in Note 1J in the Notes to Financial Statements.

The following table summarizes the inputs used to value the Fund's investments in securities as of December 31, 2015 (See Note 1B):

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

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| | | | | |
|---------------------------------|----------------|------|------|----------------|
| Common Stocks* | \$ 118,377,779 | \$ — | \$ — | \$ 118,377,779 |
| Short-Term Investments | 914,003 | — | — | 914,003 |
| Total Investments in Securities | \$ 119,291,782 | \$ — | \$ — | \$ 119,291,782 |

*

See Schedule of Investments for further classification.

See Notes to Financial Statements.

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VALUE LINE INCOME AND GROWTH FUND, INC.

INVESTMENT OBJECTIVE AND STRATEGY (condensed) (unaudited)

The Fund's investment objective is income, as high and dependable as is consistent with reasonable risk, and capital growth to increase total return.

To achieve the Fund's goals, EULAV Asset Management (the "Adviser") generally invests not less than 50% of the Fund's net assets in common or preferred stocks or securities convertible into common stock which may or may not pay dividends. The balance of the Fund's net assets are primarily invested in U.S. government securities, money market securities and investment grade debt securities rated at the time of purchase from the highest (AAA) to medium (BBB) quality. Although the Fund can invest in companies of any size, it generally invests in U.S. securities issued by larger, more established companies (those with a market capitalization of more than \$5 billion).

Manager Discussion of Fund Performance

Below, Value Line Income and Growth Fund, Inc. portfolio managers Cindy Starke, Stephen E. Grant and Liane Rosenberg discuss the Fund's performance and positioning for the 12 months ended December 31, 2015.

How did the Fund perform during the annual period?

The Fund generated a total return of -0.86% during the 12 months ended December 31, 2015. This compares to the 1.05% return of the Fund's blended benchmark, comprised 60% of the S&P 500® Index and 40% of the Barclays U.S. Aggregate Bond Index (the Barclays Index), during the same annual period.

What key factors were responsible for the Fund's performance during the 12-month reporting period?

The Fund was hurt by stock selection in equities, which more than offset the benefit of stronger security selection in fixed income and convertibles. Asset allocation overall had a positive, albeit modest, impact on relative results during the annual period. The Fund remained overweighted equities and underweighted fixed income. However, with U.S. equities, as measured by the S&P 500® Index, up 1.38% during the annual period, and bonds, as measured by the Barclays Index, posting a return of 0.55%, the impact of asset allocation was muted.

Which equity market sectors most significantly affected Fund performance?

Stock selection in the consumer discretionary, consumer staples and health care sectors detracted most from the Fund's results. Having an underweighted allocation to consumer staples, which outpaced the S&P 500® Index during the annual period, also hurt. These detractors were partially offset by the positive contributions of stock selection in the industrials sector and of having an underweighted allocation to energy, which was the worst performing sector in the S&P 500® Index during the annual period. Having an overweighted exposure to consumer discretionary, the strongest performing sector in the S&P 500® Index during the annual period, also helped.

Which stocks detracted significantly from the Fund's performance during the annual period?

During the annual period, the stocks that detracted most from the Fund's performance were Macy's, Intercept Pharmaceuticals and Blackstone Group. Macy's, a leading U.S.-based retailer best known for its Macy's and Bloomingdale's stores, saw greater than expected weakness in its same-store sales, driven by a combination of unseasonably warm weather and slower traffic. Its shares also came under pressure late in 2015 when its management announced it was not pursuing the formation of a real estate investment trust. Shares of Intercept Pharmaceuticals, a biopharmaceuticals company focused on treating chronic liver and intestinal diseases, declined after the Food and Drug Administration (FDA) requested additional information and pushed out its review until May 2016 for the company's leading candidate, obeticholic acid, for primary biliary cirrhosis. Asset manager Blackstone Group saw a decline in its shares due in part to weakness in credit markets.

What were some of the Fund's best-performing individual stocks?

Contributing most to the Fund's relative results were interactive entertainment software developer Activision Blizzard, ski mountain resort operator Vail Resorts and specialty coffee retailer Starbucks. Shares of Activision Blizzard rose due to better than expected sales and earnings growth, driven by strength in both its catalogue and digital games. We believe the company's pending \$5.9 billion acquisition of King Digital, a leading mobile game company, which gives Activision Blizzard access to King Digital's large network of more than 470 million monthly gamers, is an astute move, as it will diversify Activision Blizzard's business and should accelerate its longer-term sales and earnings growth. Shares of Vail Resorts rose substantially on strong operating results and a favorable view of business trends, including rising season pass sales, coming into the 2015-16 ski season. Starbucks' shares enjoyed double-digit gains

driven by good execution as evidenced by stronger than expected U.S. and global year over year same-store sales and higher profits.

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Did the equity portion of the Fund make any significant purchases or sales?

We sought to take advantage of the volatility in the equity markets, especially that seen in late August 2015, by establishing positions in two secular large-cap growth companies and market leaders — Amazon.com and Netflix. Amazon.com, the leader in the fast growing U.S. e-commerce market with a 30% market share, is well positioned, in our view, for continued growth and dominance in its businesses, especially given its loyal prime members. E-commerce still just has an approximately 7% market share of total retail sales, a figure that we believe will continue to trend higher in the coming years. Further, we believe Amazon.com will see high levels of growth in its profitable Amazon Web Services (AWS) cloud offerings. We established a Fund position in Netflix, the world's leading Internet television network with more than 45 million subscribers in the U.S. and approximately 30 million members internationally. We believe Netflix has a virtually open-ended opportunity to target television subscribers from around the globe.

We eliminated the Fund's position in Trimble Navigation after continued earnings disappointments and weakness in key end markets. Trimble Navigation is a supplier of a wide range of electronic devices and technology services for the construction, transportation, agribusiness and machinery industries. We sold the Fund's positions in Whole Foods Market, as the company's sales continued to struggle, and we felt competition in the organic foods market had intensified.

Were there any notable changes in the equity portion of the Fund's weightings during the 12-month period?

During the annual period, we decreased weightings relative to the S&P 500® Index in the energy and industrials sectors. We completely eliminated the Fund's exposure to the utilities sector. We increased the Fund's relative positions in the consumer discretionary, information technology and health care sectors during the annual period.

How was the equity portion of the Fund positioned relative to its benchmark index at the end of December 2015?

As of December 31, 2015, the Fund was overweighted relative to the S&P 500® Index in the consumer discretionary, information technology and health care sectors. The Fund was underweighted relative to the S&P 500® Index in the energy, industrials, consumer staples and financials sectors on the same date. The Fund had no exposure to the utilities, telecommunication services and materials sectors at the end of December 2015.

What was the duration strategy of the fixed income portion of the Fund?

Duration positioning in the fixed income portion of the Fund had a positive, albeit modest, effect on its performance relative to the Barclays Index during the annual period. We kept the fixed income portion of the Fund's duration short that of the Barclays Index by approximately ½ a year, which helped, as rates generally rose. Duration is a measure of the Fund's sensitivity to changes in interest rates.

Which fixed income market segments most significantly affected Fund performance?

On the positive side, despite the high yield corporate bond rout, several holdings offered significant incremental returns. The fixed income portion of the Fund owned primarily the highest quality high yield bonds, i.e. almost all BB-rated bonds, and had limited exposure overall. Indeed, even within the fixed income portion of the Fund's energy exposure, our high quality bias mitigated the impact of the sector's negative performance. It is worth noting that despite the overall high yield corporate bond sector declining approximately 4.5% during the annual period, the fixed income portion of the Fund saw an overall positive return from its high yield corporate bond holdings.

The fixed income portion of the Fund also had a modest overweight to taxable municipal bonds, which contributed positively to its relative results. Several holdings within this sector performed well, enjoying favor with investors as they had low correlation with the energy sector. Having an underweight to sovereign debt also added value, as sovereign debt significantly underperformed the Barclays Index during the annual period. Finally, issue selection overall contributed positively to the Fund's relative results, especially in the investment grade and high yield corporate bond sectors. Having a bias to high quality securities and only a modest exposure to securities in the energy and metals and mining industries particularly helped.

An underweighted allocation to intermediate-term U.S. Treasuries hurt the fixed income portion of the Fund's relative results, as this market segment was a top performer during the annual period. Also, having an overweight to BBB-rated corporate bonds detracted from performance, as this quality tier significantly underperformed higher quality corporate bonds during the annual period.

Were there any notable changes in the fixed income portion of the Fund's weightings during the 12-month period?

During the annual period, we increased our high quality bias within the fixed income portion of the Fund by reducing exposure to high yield corporate bonds and increasing exposure to higher quality investment grade bonds, most notably A-rated bonds. Within the fixed income portion of the Fund's high yield corporate bond exposure, we particularly reduced exposure to energy-related securities based on our concerns about slowing global economic growth and growing oil supply without increasing demand. We increased exposure to securitized debt, especially in the highly-rated asset-backed securities sector.

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VALUE LINE INCOME AND GROWTH FUND, INC. (continued)

Manager Discussion (continued) (unaudited)

How was the fixed income portion of the Fund positioned relative to its benchmark index at the end of December 2015?

At the end of December 2015, the fixed income portion of the Fund remained overweight relative to the Barclays Index in spread, or non-U.S. Treasury, sectors. The fixed income portion of the Fund was overweight the investment grade corporate bond sector. The fixed income portion of the Fund was also overweight taxable municipal bonds and the securitized sector overall. The fixed income portion of the Fund remained underweight relative to the Barclays Index in U.S. Treasuries and agency securities given our focus on enhancing investment income.

How did the Fund's overall asset allocation shift from beginning to end of the annual period?

At the end of December 2014, the Fund had a weighting of approximately 73% in stocks, 1% in bonds convertible into common stocks, 21% in fixed income securities and 5% in cash equivalents. Some changes were based on active management decisions. For example, during the first half of 2015, we sought to take advantage of pullback opportunities in the equity market to reduce the Fund's cash balance and increase the Fund's overall exposure to equities. During the second half of the annual period, we reduced the Fund's equity exposure and increased fixed income and cash positions, as we felt we may see increased equity market volatility going forward given anticipated interest rate hikes by the Fed in 2016. At December 31, 2015, the Fund had a weighting of approximately 69% in stocks, 23% in fixed income securities and 8% in cash equivalents.

How did the Fund use derivatives and similar instruments during the reporting period?

The Fund did not use derivatives during the reporting period.

What is your tactical view and strategy for the months ahead?

With short-term interest rates and inflation still low and with the Fed endorsing a conservative path of interest rate increases, we believe there are many stocks that offer attractive dividend income and capital appreciation potential. Thus, we intend to continue to seek to build a diversified equity portfolio of high quality companies with good balance sheets and the ability to grow their sales and earnings in a low growth world. We also intend to continue to monitor closely the pace of U.S. and global economic growth, the job market and the inflation rate, as these factors, along with potential changes to the Fed's stance on the economy and its path for raising interest rates, are likely to impact the Fund's equity holdings. In the fixed income portion of the Fund, we intend to position for a gradual rise in rates. This includes an overweight to spread sectors, as U.S. Treasuries tend to underperform in a rising rate environment. We also intend to maintain our quality bias within the corporate bond sectors, as we believe the end of the credit cycle is approaching, with default rates likely to rise.

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Value Line Income and Growth Fund, Inc.

Portfolio Highlights at December 31, 2015 (unaudited)

Ten Largest Holdings

| Issue | Shares | Value | Percentage of Net Assets |
|---------------------------|---------|--------------|--------------------------------|
| Celgene Corp. | 80,000 | \$ 9,580,800 | 2.7% |
| Facebook, Inc. | 87,000 | 9,105,420 | 2.6% |
| Allergan PLC | 27,500 | 8,593,750 | 2.5% |
| Apple, Inc. | 79,000 | 8,315,540 | 2.4% |
| JPMorgan Chase & Co. | 122,000 | 8,055,660 | 2.3% |
| Gilead Sciences, Inc. | 70,000 | 7,083,300 | 2.0% |
| Activision Blizzard, Inc. | 172,000 | 6,658,120 | 1.9% |
| Starbucks Corp. | 108,000 | 6,483,240 | 1.9% |
| Alphabet, Inc. | 8,000 | 6,224,080 | 1.8% |
| Medivation, Inc. | 120,000 | 5,800,800 | 1.7% |

Asset Allocation – Percentage of Net Assets

Sector Weightings – Percentage of Total Investment Securities*

*
Sector weightings exclude short-term investments.

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Value Line Income and Growth Fund, Inc.

Portfolio Highlights at December 31, 2015 (unaudited) (continued)

The following graph compares the performance of the Value Line Income and Growth Fund, Inc. to that of the 60/40 S&P 500® Index/Barclays Capital Aggregate Bond Index, (the “Index”). The Value Line Income and Growth Fund, Inc. is a professionally managed mutual fund, while the Index is not available for investment and is unmanaged. The returns for the Index do not reflect charges, expenses or taxes, but do include the reinvestment of dividends. The comparison is shown for illustrative purposes only.

Comparison of a Change in Value of a \$10,000 Investment in the Value Line Income and Growth Fund, Inc. and the 60/40 S&P 500® Index/Barclays Capital Aggregate Bond Index*

Performance Data: **

| | Average Annual Total Return |
|-------------------------|--------------------------------------|
| Investor Class | |
| 1 year ended 12/31/15 | -0.86% |
| 5 years ended 12/31/15 | 7.52% |
| 10 years ended 12/31/15 | 6.27% |
| Institutional Class | |
| Since inception 11/1/15 | -3.29% |

*

The 60/40 S&P 500® Index/Barclays Capital Aggregate Bond Index is an unmanaged blended index which consists of a 60% weighting of the Standard & Poor’s 500 Stock Index representative of the larger capitalization stocks traded in the United States and a 40% weighting of the Barclays Capital Aggregate Bond Index which is a broad-based benchmark that measures the investment grade, U.S. dollar denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-through’s), ABS, and CMBS.

**

The performance data quoted represent past performance and are no guarantee of future performance. The average annual total returns and growth of an assumed investment of \$10,000 include dividends reinvested and capital gains distributions accepted in shares. The investment return and principal value of an investment will fluctuate so that an

investment, when redeemed, may be worth more or less than its original cost. The performance data and graph do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

TABLE OF CONTENTSValue Line Income and Growth Fund, Inc.
Schedule of Investments

| Shares | | Value |
|---------------------------------------|---|--------------|
| COMMON STOCKS (68.8%) | | |
| CONSUMER DISCRETIONARY (16.8%) | | |
| 5,500 | Amazon.com, Inc.* | \$ 3,717,395 |
| 38,000 | Comcast Corp. Class A | 2,144,340 |
| 80,000 | Hanesbrands, Inc. | 2,354,400 |
| 21,000 | Harman International Industries, Inc. | 1,978,410 |
| 31,000 | Home Depot, Inc. | 4,099,750 |
| 120,000 | Lions Gate Entertainment Corp.(1) | 3,886,800 |
| 95,000 | Macy's, Inc. | 3,323,100 |
| 28,000 | Netflix, Inc.* | 3,202,640 |
| 1,900 | Priceline Group, Inc. (The)* | 2,422,405 |
| 108,000 | Starbucks Corp. | 6,483,240 |
| 83,000 | Starwood Hotels & Resorts Worldwide, Inc. | 5,750,240 |
| 63,000 | Texas Roadhouse, Inc. | 2,253,510 |
| 33,000 | Tiffany & Co. | 2,517,570 |
| 34,000 | TJX Companies, Inc. (The) | 2,410,940 |
| 78,000 | Toll Brothers, Inc.* | 2,597,400 |
| 106,000 | Urban Outfitters, Inc.* | 2,411,500 |
| 38,000 | Vail Resorts, Inc. | 4,863,620 |
| 24,000 | Walt Disney Co. (The) | 2,521,920 |
| | | 58,939,180 |
| CONSUMER STAPLES (2.7%) | | |
| 40,000 | CVS Health Corp. | 3,910,800 |
| 37,000 | Estee Lauder Companies, Inc. (The) Class A | 3,258,220 |
| 30,000 | Mead Johnson Nutrition Co. | 2,368,500 |
| | | 9,537,520 |
| ENERGY (1.1%) | | |
| 25,000 | Exxon Mobil Corp. | 1,948,750 |
| 27,000 | Schlumberger Ltd. | 1,883,250 |
| | | 3,832,000 |

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| Shares | | Value |
|---------------------|--|--------------|
| FINANCIALS (9.2%) | | |
| 24,000 | American Tower Corp. REIT | 2,326,800 |
| 255,000 | Bank of America Corp. | 4,291,650 |
| 11,500 | BlackRock, Inc. | 3,915,980 |
| 170,000 | Blackstone Group L.P. (The) | 4,970,800 |
| 135,000 | Charles Schwab Corp. (The) | 4,445,550 |
| 36,000 | Discover Financial Services | 1,930,320 |
| 122,000 | JPMorgan Chase & Co. | 8,055,660 |
| 38,000 | Lamar Advertising Co. REIT Class A | 2,279,240 |
| | | 32,216,000 |
| HEALTH CARE (17.8%) | | |
| 41,000 | AbbVie, Inc. | \$ 2,428,840 |
| 27,500 | Allergan PLC* | 8,593,750 |
| 16,500 | Biogen, Inc.* | 5,054,775 |
| 21,000 | BioMarin Pharmaceutical, Inc.* | 2,199,960 |
| 80,000 | Celgene Corp.* | 9,580,800 |
| 45,000 | Cerner Corp.* | 2,707,650 |
| 45,000 | Edwards Lifesciences Corp.* | 3,554,100 |
| 70,000 | Gilead Sciences, Inc. | 7,083,300 |
| 15,000 | Intercept Pharmaceuticals, Inc.*(1) | 2,240,250 |
| 120,000 | Medivation, Inc.* | 5,800,800 |
| 66,000 | Medtronic PLC | 5,076,720 |
| 34,237 | Teva Pharmaceutical Industries Ltd. ADR | 2,247,317 |
| 45,000 | Vertex Pharmaceuticals, Inc.* | 5,662,350 |
| | | 62,230,612 |
| INDUSTRIALS (2.7%) | | |
| 48,000 | American Airlines Group, Inc. | 2,032,800 |
| 13,000 | Boeing Co. (The) | 1,879,670 |
| 62,000 | Delta Air Lines, Inc. | 3,142,780 |
| 79,000 | General Electric Co. | 2,460,850 |

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| | | |
|---------|---|-------------|
| | | 9,516,100 |
| | INFORMATION TECHNOLOGY (18.5%) | |
| 172,000 | Activision Blizzard, Inc. | 6,658,120 |
| 65,000 | Akamai Technologies, Inc.* | 3,420,950 |
| 35,000 | Alibaba Group Holding, Ltd. ADR* | 2,844,450 |
| 4,000 | Alphabet, Inc. Class C* | 3,035,520 |
| 8,000 | Alphabet, Inc. Class A* | 6,224,080 |
| 79,000 | Apple, Inc. | 8,315,540 |
| 32,000 | Avago Technologies Ltd. | 4,644,800 |
| 11,000 | Baidu, Inc. ADR* | 2,079,440 |
| 90,000 | Cisco Systems, Inc. | 2,443,950 |
| 41,000 | Cognizant Technology Solutions Corp. Class A* | 2,460,820 |
| 87,000 | Facebook, Inc. Class A* | 9,105,420 |
| 80,000 | GrubHub, Inc.*(1) | 1,936,000 |
| 40,000 | IAC/InterActiveCorp | 2,402,000 |
| 110,000 | PayPal Holdings, Inc.* | 3,982,000 |
| 68,000 | Visa, Inc. Class A | 5,273,400 |
| | | 64,826,490 |
| | TOTAL COMMON STOCKS (Cost \$210,324,692) (68.8%) | 241,097,902 |

| Principal Amount | | Value |
|------------------|--|------------|
| | ASSET-BACKED SECURITIES (1.0%) | |
| 218,000 | Ally Auto Receivables Trust, Series 2015-SN1, Class A3, 1.21%, 12/20/17 | \$ 217,058 |
| 100,000 | Avis Budget Rental Car Funding AESOP LLC, Series 2013-1A, Class A, 1.92%, 9/20/19(2) | 99,250 |
| 500,000 | Avis Budget Rental Car Funding AESOP LLC, Series 2014-1A, Class A, 2.46%, 7/20/20(2) | 501,583 |
| 130,000 | Capital Auto Receivables Asset Trust, Series | 129,659 |

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| | | |
|---------|---|---------|
| | 2014-3, Class A3, 1.48%, 11/20/18 | |
| 250,000 | CarMax Auto Owner Trust, Series 2015-1, Class A4, 1.83%, 7/15/20 | 248,759 |
| 125,000 | Chrysler Capital Auto Receivables Trust, Series 2014-BA, Class A3, 1.27%, 5/15/19(2) | 124,629 |
| 100,000 | Citibank Credit Card Issuance Trust, Series 2014-A8, Class A8, 1.73%, 4/9/20 | 100,234 |
| 600,000 | Citibank Credit Card Issuance Trust, Series 2014-A1, Class A1, 2.88%, 1/23/23 | 612,686 |
| 300,000 | Ford Credit Auto Lease Trust, Series 2014-B, Class A4, 1.10%, 11/15/17 | 299,080 |
| 250,000 | Ford Credit Auto Owner Trust/Ford Credit, Series 2014-1, Class A, 2.26%, 11/15/ 25(2) | 252,017 |
| 150,000 | Ford Credit Floorplan Master Owner Trust, Series 2012-2, Class A, 1.92%, 1/15/19 | 150,720 |
| 300,000 | Synchrony Credit Card Master Note Trust, Series 2012-6, Class A, 1.36%, 8/17/20 | 298,517 |
| 100,000 | Synchrony Credit Card Master Note Trust, Series 2012-2, Class A, 2.22%, 1/15/22 | 100,268 |
| 100,000 | Synchrony Credit Card Master Note Trust, Series 2015-1, Class A, 2.37%, 3/15/23 | 99,566 |

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Schedule of Investments (continued)

| Principal Amount | | Value |
|---|---|------------|
| ASSET-BACKED SECURITIES (1.0%) (continued) | | |
| | World Financial Network Credit Card Master Trust, Series 2013-A, Class A, 1.61%, 12/15/21 | \$ 248,483 |
| \$ 250,000 | | |
| TOTAL ASSET-BACKED SECURITIES | | 3,482,509 |
| (Cost \$3,512,826) (1.0%) | | |
| COMMERCIAL MORTGAGE-BACKED SECURITIES (1.2%) | | |
| | Banc of America Commercial Mortgage Trust, Series 2006-2, Class A4, 5.83%, 5/10/45(3) | 107,308 |
| 107,167 | | |
| | Bear Stearns Commercial Mortgage Securities Trust, Series 2007-PW17, Class A4, 5.69%, 6/11/50(3) | 303,568 |
| 291,061 | | |
| | Citigroup Commercial Mortgage Trust, Series 2006-C5, Class A4, 5.43%, 10/15/49 | 250,833 |
| 247,519 | | |
| | Commercial Mortgage Trust, Series 2007-GG9, Class A4, 5.44%, 3/10/39 | 345,103 |
| 337,582 | | |
| | FHLMC Multifamily Structured Pass-Through Certificates, Series K710, Class A2, 1.88%, 5/25/19 | 499,813 |
| 500,000 | | |
| | FREMF Mortgage Trust, Series 2012-K711, Class B, 3.56%, 8/25/45(2)(3) | 202,244 |
| 200,000 | | |
| | FREMF Mortgage Trust, Series 2013-KF02, Class B, 3.42%, | 82,273 |
| 80,095 | | |

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| | | |
|---|---|------------|
| | 12/25/45(2)(3) | |
| 120,000 | FREMF Mortgage Trust, Series 2013-K713, Class B, 3.16%, 4/25/46(2)(3) | 119,305 |
| 212,410 | GNMA, Series 2013-12, Class AB, 1.83%, 11/16/52 | 206,006 |
| 250,000 | GNMA, Series 2013-12, Class B, 2.19%, 11/16/52(3) | 241,022 |
| 250,000 | GS Mortgage Securities Trust, Series 2012-GCJ7, Class A4, 3.38%, 5/10/45 | 255,829 |
| Principal Amount | | Value |
| COMMERCIAL MORTGAGE-BACKED SECURITIES (1.2%) (continued) | | |
| \$ 170,697 | JP Morgan Chase Commercial Mortgage Securities Trust, Series 2007-CB20, Class A1A, 5.75%, 2/12/51(3) | \$ 178,500 |
| 100,000 | Morgan Stanley Bank of America Merrill Lynch Trust, Series 2013-C12, Class A2, 3.00%, 10/15/46 | 102,102 |
| 200,000 | Morgan Stanley Capital I Trust, Series 2012-C4, Class A4, 3.24%, 3/15/45 | 204,078 |
| 164,977 | Thornburg Mortgage Securities Trust, Series 2005-1, Class A3, 2.27%, 4/25/45(3) | 164,816 |
| 250,000 | UBS-Barclays Commercial Mortgage Trust, Series 2012-C4, Class A5, 2.85%, 12/10/45 | 245,309 |
| 385,000 | UBS-Barclays Commercial Mortgage Trust, Series 2013-C5, Class A4, 3.18%, | 386,408 |

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| | | |
|---|------------------------------|--------------|
| | 3/10/46 | |
| | Wells Fargo Commercial | |
| | Mortgage Trust, | |
| 200,000 | Series 2015-NXS1, | 201,485 |
| | Class A2, 2.63%, | |
| | 5/15/48 | |
| TOTAL COMMERCIAL | | |
| MORTGAGE-BACKED SECURITIES | | |
| | (Cost \$4,253,110) (1.2%) | 4,096,002 |
| CORPORATE BONDS & NOTES (9.2%) | | |
| BASIC MATERIALS (0.3%) | | |
| | ArcelorMittal, Senior | |
| 100,000 | Unsecured Notes, | 96,590 |
| | 5.50%, 2/25/17 | |
| | Celanese U.S. Holdings | |
| 150,000 | LLC, Guaranteed | 147,750 |
| | Notes, 4.63%, | |
| | 11/15/22 | |
| | LYB International | |
| 250,000 | Finance B.V., | 249,216 |
| | Guaranteed Notes, | |
| | 4.00%, 7/15/23(1) | |
| | Mosaic Co. (The), Senior | |
| 150,000 | Unsecured Notes, | 151,602 |
| | 5.45%, 11/15/33 | |
| Principal | | Value |
| Amount | | |
| | BASIC MATERIALS | |
| | (0.3%) (continued) | |
| | PPG Industries, Inc., | |
| \$ 375,000 | Senior Unsecured | \$ 385,115 |
| | Notes, 3.60%, | |
| | 11/15/20 | |
| | Steel Dynamics, Inc., | |
| 150,000 | Guaranteed Notes, | 151,125 |
| | 6.13%, 8/15/19(1) | |
| | | 1,181,398 |
| | COMMUNICATIONS (0.7%) | |
| | Amazon.com, Inc., | |
| 100,000 | Senior Unsecured | 102,895 |
| | Notes, 3.30%, | |
| | 12/5/21(1) | |
| | Amazon.com, Inc., | |
| 150,000 | Senior Unsecured | 157,931 |
| | Notes, 4.80%, | |
| | 12/5/34 | |
| 150,000 | | 148,695 |

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| | | |
|---------|--|-----------|
| | Baidu, Inc., Senior Unsecured Notes, 2.75%, 6/9/19 | |
| 250,000 | CBS Corp., Guaranteed Notes, 3.70%, 8/15/24 | 243,126 |
| 150,000 | Comcast Corp., Guaranteed Notes, 6.45%, 3/15/37 | 186,687 |
| 250,000 | DIRECTV Holdings LLC/DIRECTV Financing Co., Inc., Guaranteed Notes, 3.80%, 3/15/22 | 251,581 |
| 200,000 | Expedia, Inc., Guaranteed Notes, 4.50%, 8/15/24 | 193,030 |
| 250,000 | Netflix, Inc., Senior Unsecured Notes, 5.75%, 3/1/24 | 256,875 |
| 200,000 | Scripps Networks Interactive, Inc., Senior Unsecured Notes, 2.80%, 6/15/20 | 195,105 |
| 150,000 | T-Mobile USA, Inc., Guaranteed Notes, 6.63%, 11/15/20 | 155,924 |
| 250,000 | Telefonica Emisiones SAU, Guaranteed Notes, 5.88%, 7/15/19 | 274,758 |
| 250,000 | Tencent Holdings, Ltd., Senior Unsecured Notes, 3.38%, 5/2/19(2) | 254,212 |
| 156,000 | Verizon Communications, Inc., Senior Unsecured Notes, 2.50%, 9/15/16 | 157,217 |
| | | 2,578,036 |

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December 31, 2015

| Principal Amount | | Value |
|--|---|------------|
| CORPORATE BONDS & NOTES (9.2%) (continued) | | |
| CONSUMER, CYCLICAL (1.2%) | | |
| \$ 100,000 | CalAtlantic Group, Inc., Guaranteed Notes, 6.63%, 5/1/20 | \$ 109,000 |
| 250,000 | CVS Health Corp., Senior Unsecured Notes, 6.60%, 3/15/19 | 282,709 |
| 150,000 | D.R. Horton, Inc., Guaranteed Notes, 4.00%, 2/15/20(1) | 150,855 |
| 500,000 | Ford Motor Credit Co. LLC, Senior Unsecured Notes, 2.38%, 1/16/18 | 498,806 |
| 250,000 | General Motors Financial Co., Inc., Guaranteed Notes, 2.40%, 4/10/18 | 248,773 |
| 300,000 | General Motors Financial Co., Inc., Guaranteed Notes, 3.15%, 1/15/20 | 297,315 |
| 150,000 | Goodyear Tire & Rubber Co. (The), Guaranteed Notes, 6.50%, 3/1/21 | 157,688 |
| 99,000 | Kia Motors Corp., Senior Unsecured Notes, 3.63%, 6/14/16(2) | 99,811 |
| 150,000 | L Brands, Inc., Guaranteed Notes, 6.63%, 4/1/21(1) | 166,125 |
| 500,000 | Lowe's Cos., Inc., Senior Unsecured Notes, 2.13%, 4/15/16 | 501,193 |
| 100,000 | Magna International, Inc., Senior Unsecured Notes, 4.15%, 10/1/25(1) | 101,805 |
| 150,000 | NIKE, Inc., Senior Unsecured Notes, 3.88%, 11/1/45 | 144,750 |

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| | | |
|---------------------|--|------------|
| 100,000 | Nissan Motor Acceptance Corp., Senior Unsecured Notes, 2.35%, 3/4/19(2) | 99,629 |
| 200,000 | Nordstrom, Inc., Senior Unsecured Notes, 5.00%, 1/15/44 | 206,715 |
| 150,000 | Royal Caribbean Cruises, Ltd., Senior Unsecured Notes, 5.25%, 11/15/22 | 153,750 |
| 100,000 | Toll Brothers Finance Corp., Guaranteed Notes, 4.88%, 11/15/25 | 98,250 |
| Principal Amount | | Value |
| | CONSUMER, CYCLICAL (1.2%) (continued) | |
| \$ 250,000 | Wyndham Worldwide Corp., Senior Unsecured Notes, 3.90%, 3/1/23 | \$ 243,245 |
| 500,000 | Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., Senior Unsecured Notes, 5.38%, 3/15/22(1) | 475,115 |
| | | 4,035,534 |
| | CONSUMER, NON-CYCLICAL (1.2%) | |
| 150,000 | AbbVie, Inc., Senior Unsecured Notes, 4.70%, 5/14/45 | 146,620 |
| 255,000 | Actavis Funding SCS, Guaranteed Notes, 2.35%, 3/12/18 | 255,266 |
| 150,000 | AmerisourceBergen Corp., Senior Unsecured Notes, 3.25%, 3/1/25 | 145,229 |
| 250,000 | Amgen, Inc., Senior Unsecured Notes, 2.13%, 5/15/17 | 251,525 |
| 150,000 | Amgen, Inc., Senior Unsecured Notes, 3.88%, 11/15/21(1) | 156,281 |

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| | | |
|------------------|---|-----------|
| 250,000 | Celgene Corp., Senior Unsecured Notes, 2.30%, 8/15/18 | 251,741 |
| 250,000 | Constellation Brands, Inc., Guaranteed Notes, 3.75%, 5/1/21 | 250,625 |
| 350,000 | Edwards Lifesciences Corp., Senior Unsecured Notes, 2.88%, 10/15/18 | 354,061 |
| 200,000 | Gilead Sciences, Inc., Senior Unsecured Notes, 2.35%, 2/1/20 | 200,134 |
| 200,000 | HCA, Inc., Guaranteed Notes, 5.38%, 2/1/25 | 197,500 |
| 150,000 | JM Smucker Co. (The), Guaranteed Notes, 4.38%, 3/15/45(1) | 146,034 |
| 250,000 | Kroger Co. (The), Senior Unsecured Notes, 3.40%, 4/15/22 | 253,270 |
| 250,000 | Kroger Co. (The), Senior Unsecured Notes, 5.15%, 8/1/43 | 261,904 |
| 150,000 | LifePoint Health, Inc., Guaranteed Notes, 5.50%, 12/1/21 | 152,625 |
| 250,000 | Mylan, Inc., Guaranteed Notes, 1.35%, 11/29/16 | 247,904 |
| Principal Amount | | Value |
| | CONSUMER, NON-CYCLICAL (1.2%) (continued) | |
| \$ 100,000 | NYU Hospitals Center, Unsecured Notes, 4.78%, 7/1/44 | \$ 99,823 |
| 100,000 | Quest Diagnostics, Inc., Senior Unsecured Notes, 3.50%, 3/30/25 | 96,612 |
| 150,000 | Service Corp. International, Senior Unsecured Notes, 7.00%, 6/15/17 | 160,125 |
| 250,000 | Sysco Corp., Guaranteed Notes, 3.75%, | 253,429 |

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| | | |
|---------|--|-----------|
| | 10/1/25 | |
| 200,000 | UnitedHealth Group, Inc., Senior Unsecured Notes, 2.88%, 12/15/21 | 202,774 |
| 100,000 | UnitedHealth Group, Inc., Senior Unsecured Notes, 4.63%, 11/15/41 | 101,496 |
| 200,000 | Wm Wrigley Jr Co., Senior Unsecured Notes, 2.00%, 10/20/17(2) | 200,324 |
| | | 4,385,302 |
| | ENERGY (0.5%) | |
| 250,000 | Anadarko Petroleum Corp., Senior Unsecured Notes, 6.38%, 9/15/17 | 262,156 |
| 150,000 | DCP Midstream Operating L.P., Guaranteed Notes, 2.50%, 12/1/17 | 134,985 |
| 150,000 | Energy Transfer Partners L.P., Senior Unsecured Notes, 9.00%, 4/15/19 | 165,038 |
| 500,000 | Enterprise Products Operating LLC, Guaranteed Notes, 4.85%, 8/15/42 | 399,743 |
| 125,000 | Marathon Oil Corp., Senior Unsecured Notes, 3.85%, 6/1/25(1) | 100,606 |
| 150,000 | Occidental Petroleum Corp., Senior Unsecured Notes, 4.63%, 6/15/45(1) | 145,498 |
| 200,000 | Phillips 66, Guaranteed Notes, 4.30%, 4/1/22 | 205,759 |
| 250,000 | Spectra Energy Partners L.P., Senior Unsecured Notes, 4.75%, 3/15/24(1) | 242,169 |

See Notes to Financial Statements.

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Schedule of Investments (continued)

| Principal Amount | | Value |
|--|--|------------|
| CORPORATE BONDS & NOTES (9.2%) (continued) | | |
| | ENERGY (0.5%) (continued) | |
| \$ 100,000 | Valero Energy Corp., Senior Unsecured Notes, 6.63%, 6/15/37 | \$ 100,542 |
| | | 1,756,496 |
| | FINANCIAL (4.1%) | |
| 200,000 | Aflac, Inc., Senior Unsecured Notes, 3.25%, 3/17/25 | 197,372 |
| 200,000 | Aircastle Ltd., Senior Unsecured Notes, 4.63%, 12/15/18 | 204,500 |
| 150,000 | Ally Financial, Inc., Guaranteed Notes, 4.75%, 9/10/18 | 153,563 |
| 250,000 | American Express Co., Senior Unsecured Notes, 0.97%, 5/22/18(3) | 248,452 |
| 250,000 | American International Group, Inc., Senior Unsecured Notes, 4.88%, 6/1/22(1) | 269,985 |
| 250,000 | Australia & New Zealand Banking Group Ltd., Subordinated Notes, 4.50%, 3/19/24(1)(2) | 250,888 |
| 300,000 | AvalonBay Communities, Inc. GMTN, Senior Unsecured Notes, 3.45%, 6/1/25(1) | 296,221 |
| 100,000 | Banco Bilbao Vizcaya Argentaria S.A., Senior Unsecured Notes, 3.00%, 10/20/20(1) | 99,571 |
| 250,000 | Bancolombia S.A., Senior Unsecured Notes, 5.95%, | 257,812 |

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| Principal Amount | | Value |
|------------------|--|------------|
| | 6/3/21 | |
| 100,000 | Bank of America Corp. MTN, Subordinated Notes, 4.20%, 8/26/24 | 99,218 |
| 300,000 | Bank of America Corp. MTN, Series L, Senior Unsecured Notes, 5.65%, 5/1/18 | 322,592 |
| 300,000 | Bank of China Hong Kong Ltd., Senior Unsecured Notes, 3.75%, 11/8/16(2) | 305,217 |
| 250,000 | Bank of New York Mellon Corp. (The) MTN, Senior Unsecured Notes, 2.45%, 11/27/20 | 248,899 |
| | FINANCIAL (4.1%) (continued) | |
| \$ 250,000 | Berkshire Hathaway, Inc., Senior Unsecured Notes, 3.75%, 8/15/21(1) | \$ 266,605 |
| 290,000 | BlackRock, Inc., Series 2, Senior Unsecured Notes, 5.00%, 12/10/19 | 320,652 |
| 250,000 | Boston Properties L.P., Senior Unsecured Notes, 3.13%, 9 /1/23 | 243,404 |
| 250,000 | BPCE S.A., Guaranteed Notes, 2.50%, 12/10/18 | 252,118 |
| 250,000 | Capital One Financial Corp., Senior Unsecured Notes, 3.75%, 4/24/24 | 251,618 |
| 250,000 | CIT Group, Inc., Senior Unsecured Notes, 5.00%, 5/15/17(1) | 257,500 |
| 200,000 | Citigroup, Inc., Subordinated Notes, 5.30%, 5/6/44 | 208,035 |
| 150,000 | CNA Financial Corp., Senior Unsecured | 149,325 |

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|---------------------|--|------------|
| | Notes, 3.95%, 5/15/24 | |
| | Cooperatieve Centrale Raiffeisen- | |
| 350,000 | Boerenleenbank BA, Guaranteed Notes, 3.95%, 11/9/22(1) | 354,278 |
| | Credit Agricole S.A., Senior Unsecured Notes, 2.13%, 4/17/18(1)(2) | |
| 250,000 | | 250,613 |
| | Deutsche Bank AG, Senior Unsecured Notes, 1.40%, 2/13/17 | |
| 100,000 | | 99,435 |
| | Deutsche Bank AG, Senior Unsecured Notes, 1.88%, 2/13/18 | |
| 200,000 | | 198,299 |
| | Digital Realty Trust L.P., Guaranteed Notes, 5.25%, 3/15/21 | |
| 100,000 | | 107,980 |
| | Discover Financial Services, Senior Unsecured Notes, 3.95%, 11/6/24 | |
| 250,000 | | 246,440 |
| | EPR Properties, Guaranteed Notes, 5.25%, 7/15/23 | |
| 250,000 | | 254,592 |
| | Fifth Third Bancorp, Senior Unsecured Notes, 2.88%, 7/27/20 | |
| 300,000 | | 299,667 |
| Principal Amount | | Value |
| | FINANCIAL (4.1%) (continued) | |
| | Goldman Sachs Group, Inc. (The), Senior Unsecured Notes, 5.75%, 10/1/16 | |
| \$ 300,000 | | \$ 309,402 |
| | Goldman Sachs Group, Inc. (The), Subordinated Notes, 6.75%, 10/1/37 | |
| 100,000 | | 116,894 |
| | Hospitality Properties Trust, Senior Unsecured Notes, | |
| 150,000 | | 147,638 |

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| | | |
|---------|------------------------|---------|
| | 4.65%, 3/15/24 | |
| | Host Hotels & Resorts | |
| 250,000 | L.P., Senior | 268,358 |
| | Unsecured Notes, | |
| | 5.25%, 3/15/22 | |
| | HSBC Holdings PLC, | |
| 250,000 | Senior Unsecured | 262,442 |
| | Notes, 4.00%, | |
| | 3/30/22 | |
| | International Lease | |
| 250,000 | Finance Corp., Senior | 274,062 |
| | Secured Notes, | |
| | 7.13%, 9/1/18(2) | |
| | JPMorgan Chase & Co., | |
| 500,000 | Senior Unsecured | 539,303 |
| | Notes, 4.50%, | |
| | 1/24/22 | |
| | Korea Development | |
| 250,000 | Bank (The), Senior | 254,643 |
| | Unsecured Notes, | |
| | 4.00%, 9/9/16 | |
| | Lloyds Bank PLC, | |
| 250,000 | Guaranteed Notes, | 250,821 |
| | 3.50%, 5/14/25(1) | |
| | Macquarie Bank Ltd., | |
| 200,000 | Senior Unsecured | 206,851 |
| | Notes, 5.00%, | |
| | 2/22/17(2) | |
| | Mizuho Bank Ltd., | |
| 200,000 | Guaranteed Notes, | 199,219 |
| | 2.15%, 10/20/18(2) | |
| | Morgan Stanley, Senior | |
| 500,000 | Unsecured Notes, | 517,909 |
| | 4.75%, 3/22/17 | |
| | Morgan Stanley, | |
| 250,000 | Subordinated Notes, | 265,313 |
| | 4.88%, 11/1/22 | |
| | Nomura Holdings, Inc. | |
| 250,000 | GMTN, Senior | 251,349 |
| | Unsecured Notes, | |
| | 2.75%, 3/19/19(1) | |
| | PNC Funding Corp., | |
| 300,000 | Guaranteed Notes, | 307,148 |
| | 3.30%, 3/8/22(1) | |
| | ProLogis L.P., | |
| 250,000 | Guaranteed Notes, | 252,614 |
| | 2.75%, 2/15/19 | |

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| Principal Amount | | Value |
|--|---|------------|
| CORPORATE BONDS & NOTES (9.2%) (continued) | | |
| FINANCIAL (4.1%) (continued) | | |
| \$ 500,000 | Regions Financial Corp., Senior Unsecured Notes, 2.00%, 5/15/18 | \$ 496,466 |
| 150,000 | Royal Bank of Scotland Group PLC, Senior Unsecured Notes, 1.88%, 3/31/17 | 149,372 |
| 250,000 | Santander Holdings USA, Inc., Senior Unsecured Notes, 2.65%, 4/17/20 | 245,267 |
| 250,000 | Societe Generale S.A., Senior Unsecured Notes, 5.20%, 4/15/21 | 280,557 |
| 300,000 | Stifel Financial Corp., Senior Unsecured Notes, 4.25%, 7/18/24 | 298,064 |
| 150,000 | Synchrony Financial, Senior Unsecured Notes, 3.00%, 8/15/19 | 149,792 |
| 100,000 | Synchrony Financial, Senior Unsecured Notes, 3.75%, 8/15/21 | 99,891 |
| 150,000 | UBS AG MTN, Senior Unsecured Notes, 2.35%, 3/26/20 | 149,824 |
| 250,000 | US Bancorp MTN, Subordinated Notes, 3.60%, 9/11/24(1) | 254,048 |
| 500,000 | Wells Fargo & Co. MTN, Senior Unsecured Notes, 3.50%, 3/8/22(1) | 515,175 |
| 150,000 | Weyerhaeuser Co., Senior Unsecured | 172,284 |

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| | | |
|---------------------|--|------------|
| | Notes, 7.38%, 10/1/19 | |
| 100,000 | Weyerhaeuser Co., Senior Unsecured Notes, 6.95%, 10/1/27 | 117,871 |
| 250,000 | XLIT Ltd., Guaranteed Notes, 5.75%, 10/1/21(1) | 278,586 |
| | | 14,346,014 |
| | INDUSTRIAL (0.5%) | |
| 200,000 | Ball Corp., Guaranteed Notes, 5.25%, 7/1/25 | 204,500 |
| 150,000 | Burlington Northern Santa Fe LLC, Senior Unsecured Notes, 4.15%, 4/1/45 | 135,949 |
| Principal Amount | | Value |
| | INDUSTRIAL (0.5%) (continued) | |
| \$ 254,000 | Masco Corp., Senior Unsecured Notes, 6.13%, 10/3/16 | \$ 261,615 |
| 250,000 | Packaging Corp. of America, Senior Unsecured Notes, 3.65%, 9/15/24 | 242,972 |
| 250,000 | Textron, Inc., Senior Unsecured Notes, 3.88%, 3/1/25 | 245,120 |
| 500,000 | Union Pacific Corp., Senior Unsecured Notes, 4.00%, 2/1/21 | 534,332 |
| | | 1,624,488 |
| | TECHNOLOGY (0.3%) | |
| 50,000 | Altera Corp., Senior Unsecured Notes, 1.75%, 5/15/17 | 50,194 |
| 150,000 | Analog Devices, Inc., Senior Unsecured Notes, 3.90%, 12/15/25(1) | 151,434 |
| 125,000 | Cadence Design Systems, Inc., Senior Unsecured Notes, | 124,101 |

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| | | |
|--|---|-------------------|
| | 4.38%, 10/15/24 | |
| 200,000 | Intel Corp., Senior Unsecured Notes, 3.30%, 10/1/21 | 207,164 |
| 100,000 | Intel Corp., Senior Unsecured Notes, 4.25%, 12/15/42(1) | 96,398 |
| 175,000 | Microsoft Corp., Senior Unsecured Notes, 4.45%, 11/3/45 | 180,464 |
| 200,000 | QUALCOMM, Inc., Senior Unsecured Notes, 3.45%, 5/20/25 | 191,832 |
| | | 1,001,587 |
| | UTILITIES (0.4%) | |
| 150,000 | Consolidated Edison Co. of New York, Inc., Senior Unsecured Notes, 4.50%, 12/1/45 | 151,842 |
| 100,000 | Consumers Energy Co., 3.13%, 8/31/24 | 99,816 |
| 250,000 | Exelon Generation Co. LLC, Senior Unsecured Notes, 5.20%, 10/1/19 | 269,322 |
| 250,000 | Florida Power & Light Co., 4.05%, 6/1/42 | 246,221 |
| 150,000 | National Fuel Gas Co., Senior Unsecured Notes, 5.20%, 7/15/25 | 137,595 |
| Principal Amount | | Value |
| | UTILITIES (0.4%) (continued) | |
| \$ 250,000 | South Carolina Electric & Gas Co., 4.35%, 2/1/42 | \$ 239,763 |
| 250,000 | Southern Co. (The), Senior Unsecured Notes, 2.75%, 6/15/20 | 247,459 |
| | | 1,392,018 |
| TOTAL CORPORATE BONDS & NOTES | | 32,300,873 |
| (Cost \$32,699,125) (9.2%) | | |

FOREIGN GOVERNMENT OBLIGATIONS (0.2%)

| | | |
|---------|---|---------|
| 250,000 | International Bank for Reconstruction & Development, Senior Unsecured Notes, 0.50%, 4/15/16 | 250,166 |
| 250,000 | Mexico Government International Bond, Senior Unsecured Notes, 5.13%, 1/15/20 | 272,500 |
| 250,000 | Poland Government International Bond, Senior Unsecured Notes, 4.00%, 1/22/24 | 263,000 |

TOTAL FOREIGN GOVERNMENT
OBLIGATIONS 785,666

(Cost \$766,219) (0.2%)

LONG-TERM MUNICIPAL SECURITIES (0.6%)

CALIFORNIA (0.2%)

| | | |
|---------|--|---------|
| 100,000 | California Educational Facilities Authority, Revenue Bonds, Loyola Marymount University, Series A, 2.96%, 10/1/21 | 100,717 |
| 200,000 | California State, Build America Bonds, General Obligation Unlimited, AGM Insured, 6.88%, 11/1/26 | 258,108 |
| 80,000 | Los Angeles County Public Works Financing Authority, Build America Bonds, Revenue Bonds, 5.84%, 8/1/21 | 91,930 |
| 250,000 | San Francisco Bay Area Rapid Transit District, Revenue Bonds, Series B, 4.09%, 7/1/32 | 250,432 |

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Schedule of Investments (continued)

| Principal Amount | Value |
|--|--|
| LONG-TERM MUNICIPAL SECURITIES (0.6%) (continued) | |
| | CALIFORNIA (0.2%) (continued) |
| | University of California Regents Medical Center Pooled Revenue, Revenue Bonds, Build America Bonds, Series H, 6.40%, 5/15/31 |
| \$ 50,000 | \$ 60,970 |
| | 762,157 |
| | FLORIDA (0.0%) |
| | Florida State Department of Environmental Protection Revenue, Build America Bonds, Revenue Bonds, Series B, 5.31%, 7/1/18 |
| 75,000 | 81,285 |
| | NEW YORK (0.2%) |
| | City of New York, General Obligation Unlimited, Subser. D2, 2.60%, 8/1/20 |
| 250,000 | 253,915 |
| | Metropolitan Transportation Authority, Build America Bonds, Revenue Bonds, Ser. C-1, 5.12%, 11/15/19 |
| 185,000 | 202,039 |
| | New York City Transitional Finance Authority Future Tax Secured Revenue, Build America Bonds, Revenue Bonds, 4.53%, 11/1/22 |
| 100,000 | 108,946 |
| | New York City Transitional Finance Authority Future Tax Secured Revenue, Subordinate Bonds, |
| 250,000 | 241,520 |

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| | | |
|---------------------|---|------------|
| | Revenue Bonds, 3.00%, 2/1/26 | 806,420 |
| | TEXAS (0.2%) | |
| | Dallas Independent School District Qualified School Construction Notes, General Obligation Limited, 5.05%, 8/15/33 | 268,382 |
| 250,000 | | |
| Principal Amount | | Value |
| | TEXAS (0.2%) (continued) | |
| | Tarrant County Cultural Education Facilities Finance Corp., Revenue Bonds, Baylor Health Care System Project, Series C, 4.45%, 11/15/43 | \$ 246,108 |
| \$ 250,000 | | |
| | | 514,490 |
| | TOTAL LONG-TERM MUNICIPAL SECURITIES | 2,164,352 |
| | (Cost \$2,164,179) (0.6%) | |
| | SHORT-TERM MUNICIPAL SECURITIES (0.1%) | |
| | Illinois State, General Obligation Unlimited, 4.96%, 3/1/16 | 251,452 |
| 250,000 | | |
| | Metropolitan Government of Nashville & Davidson County Tennessee Convention Center Authority, Build America Bonds, Revenue Bonds, Subser. B, 4.86%, 7/1/16 | 127,490 |
| 125,000 | | |
| | TOTAL SHORT-TERM MUNICIPAL SECURITIES | 378,942 |
| | (Cost \$379,001) (0.1%) | |
| | U.S. GOVERNMENT AGENCY OBLIGATIONS (6.1%) | |
| 500,000 | FHLB, 1.13%, 3/10/17 | 501,329 |
| 250,000 | FHLB, 3.13%, 12/8/17 | 258,809 |
| 175,000 | FHLB, 2.75%, 6/8/18 | 180,923 |

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| | | |
|-----------|--|-----------|
| 250,000 | FHLB, 1.63%, 2/27/19 | 250,466 |
| 415,000 | FHLB, 4.13%, 12/13/19 | 451,145 |
| 1,000,000 | FHLB, 3.25%, 6/9/23 | 1,063,501 |
| 355,984 | FHLMC, Series 4151, Class PA, 2.00%, 1/15/33 | 351,543 |
| 65,752 | FHLMC Gold PC Pool #A46044, 5.00%, 7/1/35 | 72,206 |
| 246,445 | FHLMC Gold PC Pool #A47613, 5.00%, 11/1/35 | 270,518 |
| 58,226 | FHLMC Gold PC Pool #A89430, 4.50%, 10/1/39 | 62,810 |
| 165,676 | FHLMC Gold PC Pool #C09055, 4.00%, 12/1/43 | 175,181 |
| 255,635 | FHLMC Gold PC Pool #J17969, 3.00%, 2/1/27 | 263,915 |
| 68,980 | FHLMC Gold Pool #A84814, 4.50%, 3/1/39 | 74,309 |

Principal
Amount

Value

U.S. GOVERNMENT AGENCY OBLIGATIONS

(6.1%)

(continued)

| | | |
|------------|---|------------|
| \$ 444,636 | FHLMC Gold Pool #A86830, 4.50%, 6/1/39 | \$ 479,616 |
| 66,840 | FHLMC Gold Pool #A96997, 4.50%, 2/1/41 | 72,067 |
| 263,279 | FHLMC Gold Pool #A97264, 4.00%, 2/1/41 | 279,007 |
| 339,086 | FHLMC Gold Pool #C09027, 3.00%, 2/1/43 | 339,315 |
| 62,629 | FHLMC Gold Pool #G08521, 3.00%, 1/1/43 | 62,671 |
| 650,618 | FHLMC Gold Pool #J13314, 3.50%, 10/1/25 | 681,937 |

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| | | |
|---------|---|---------|
| 584,641 | FHLMC Gold Pool #Q04096, 4.00%, 10/1/41 | 619,268 |
| 144,381 | FHLMC Gold Pool #Q06884, 3.50%, 3/1/42 | 148,830 |
| 98,877 | FHLMC Gold Pool #Q11077, 3.50%, 9/1/42 | 101,909 |
| 500,000 | FNMA, 0.88%, 5/21/18 | 495,313 |
| 72,191 | FNMA Pool #254733, 5.00%, 4/1/23 | 79,400 |
| 253,624 | FNMA Pool #745275, 5.00%, 2/1/36 | 279,834 |
| 28,605 | FNMA Pool #832199, 4.50%, 7/1/35 | 30,948 |
| 301,157 | FNMA Pool #844809, 5.00%, 11/1/35 | 332,126 |
| 9,023 | FNMA Pool #910242, 5.00%, 3/1/37 | 9,924 |
| 43,421 | FNMA Pool #973333, 4.50%, 2/1/38 | 47,012 |
| 8,873 | FNMA Pool #975116, 5.00%, 5/1/38 | 9,759 |
| 162,758 | FNMA Pool #AA0466, 4.50%, 2/1/39 | 176,023 |
| 9,192 | FNMA Pool #AB1259, 5.00%, 7/1/40 | 10,139 |
| 316,174 | FNMA Pool #AB1796, 3.50%, 11/1/40 | 326,973 |
| 158,651 | FNMA Pool #AB2660, 3.50%, 5/1/21 | 166,212 |
| 107,504 | FNMA Pool #AB3218, 3.50%, 7/1/31 | 112,390 |
| 484,120 | FNMA Pool #AB3900, 3.00%, 11/1/26 | 501,291 |
| 18,049 | FNMA Pool #AB3943, 4.00%, 11/1/41 | 19,146 |

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| Principal Amount | | Value |
|------------------------------------|--------------------------------------|------------|
| U.S. GOVERNMENT AGENCY OBLIGATIONS | | |
| (6.1%) | | |
| (continued) | | |
| \$ 319,936 | FNMA Pool #AB5231, 2.50%, 5/1/27 | \$ 325,087 |
| 180,441 | FNMA Pool #AC5822, 4.50%, 5/1/40 | 195,309 |
| 257,633 | FNMA Pool #AD7128, 4.50%, 7/1/40 | 278,568 |
| 169,149 | FNMA Pool #AD8529, 4.50%, 8/1/40 | 183,066 |
| 676,286 | FNMA Pool #AE9759, 4.00%, 12/1/40 | 717,486 |
| 171,483 | FNMA Pool #AH2084, 4.00%, 12/1/40 | 181,852 |
| 151,723 | FNMA Pool #AH3226, 5.00%, 2/1/41 | 167,535 |
| 270,504 | FNMA Pool #AH4493, 4.50%, 2/1/41 | 292,760 |
| 440,054 | FNMA Pool #AH6186, 4.00%, 2/1/41 | 466,888 |
| 242,588 | FNMA Pool #AH8932, 4.50%, 4/1/41 | 262,571 |
| 175,362 | FNMA Pool #AI1019, 4.50%, 5/1/41 | 189,784 |
| 656,062 | FNMA Pool #AJ9278, 3.50%, 12/1/41 | 678,536 |
| 23,642 | FNMA Pool #AK6513, 4.00%, 3/1/42 | 25,080 |
| 428,157 | FNMA Pool #AL0160, 4.50%, 5/1/41 | 463,419 |
| 627,325 | FNMA Pool #AL0657, 5.00%, 8/1/41 | 692,974 |
| 52,681 | FNMA Pool #AL3192, 5.00%, 5/1/42 | 58,196 |
| 359,930 | FNMA Pool #AQ1853, 3.00%, 11/1/42 | 361,026 |
| 246,524 | FNMA Pool #AS0560, 4.50%, 9/1/43 | 266,384 |
| 390,238 | FNMA Pool #AS0865, 2.50%, 10/1/28 | 395,398 |

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| | | |
|---------|--------------------------------------|---------|
| 143,851 | FNMA Pool #AS1529, 3.00%, 1/1/29 | 148,412 |
| 167,612 | FNMA Pool #AS4503, 3.00%, 2/1/30 | 172,812 |
| 289,086 | FNMA Pool #AS4928, 3.50%, 5/1/45 | 298,477 |
| 64,587 | FNMA Pool #AT8849, 4.00%, 6/1/43 | 68,405 |
| 191,986 | FNMA Pool #AU1847, 3.00%, 9/1/43 | 192,365 |
| 201,680 | FNMA Pool #AU3621, 3.00%, 7/1/43 | 202,124 |
| 343,290 | FNMA Pool #AU5409, 3.00%, 8/1/43 | 343,588 |
| 199,250 | FNMA Pool #AU6562, 3.50%, 12/1/43 | 205,743 |
| 88,746 | FNMA Pool #AU7025, 3.00%, 11/1/43 | 88,921 |

Principal
Amount

Value

U.S. GOVERNMENT AGENCY OBLIGATIONS (6.1%)

(continued)

| | | |
|-----------|--|-----------|
| \$ 69,941 | FNMA Pool #AX1138, 3.50%, 9/1/44 | \$ 72,213 |
| 418,133 | FNMA Pool #AY2728, 2.50%, 2/1/30 | 421,922 |
| 33,591 | FNMA Pool #MA0406, 4.50%, 5/1/30 | 36,486 |
| 112,986 | FNMA Pool #MA0577, 3.50%, 11/1/20 | 118,371 |
| 352,849 | FNMA REMIC Trust Series 2013-18, Class AE, 2.00%, 3/25/28 | 348,775 |
| 243,749 | FNMA REMIC Trust Series 2013-41, Class WD, 2.00%, 11/25/42 | 237,993 |
| 250,000 | FNMA Pool TBA, 3.00%, 1/1/46 | 250,002 |
| 500,000 | FNMA Pool TBA, 4.50%, 1/1/46 | 539,938 |
| 104,362 | GNMA I Pool #539285, 3.00%, 5/15/42 | 106,178 |
| 48,096 | GNMA I Pool #744842, 3.00%, 5/15/42 | 48,758 |
| 191,278 | GNMA II Pool #MA1520, 3.00%, 12/20/43 | 194,624 |

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| | | |
|---|--|------------|
| 348,610 | GNMA II Pool #MA1521, 3.50%, 12/20/43 | 364,159 |
| 668,843 | GNMA II Pool #MA1839, 4.00%, 4/20/44 | 712,556 |
| 442,099 | GNMA II Pool #MA1922, 5.00%, 5/20/44 | 483,932 |
| 82,501 | GNMA II Pool #MA2445, 3.50%, 12/20/44 | 86,130 |
| TOTAL U.S. GOVERNMENT AGENCY OBLIGATIONS | | 21,302,568 |
| (Cost \$21,223,243) (6.1%) | | |

U.S. TREASURY OBLIGATIONS (4.6%)

| | | |
|---------|---|---------|
| 300,000 | U.S. Treasury Bonds, 5.25%, 11/15/28 | 391,957 |
| 550,000 | U.S. Treasury Bonds, 5.25%, 2/15/29 | 720,543 |
| 500,000 | U.S. Treasury Bonds, 3.13%, 11/15/41 | 516,562 |
| 250,000 | U.S. Treasury Bonds, 2.75%, 8/15/42 | 238,955 |
| 750,000 | U.S. Treasury Bonds, 2.88%, 5/15/43 | 731,250 |
| 200,000 | U.S. Treasury Bonds, 3.75%, 11/15/43 | 230,359 |
| 250,000 | U.S. Treasury Bonds, 3.63%, 2/15/44 | 281,230 |
| 100,000 | U.S. Treasury Bonds, 3.38%, 5/15/44 | 107,320 |
| 300,000 | U.S. Treasury Bonds, 3.13%, 8/15/44 | 306,598 |
| 100,000 | U.S. Treasury Bonds, 3.00%, 11/15/44 | 99,637 |

| Principal Amount | | Value |
|--|--|-------|
| U.S. TREASURY OBLIGATIONS (4.6%) (continued) | | |

| | | |
|------------|---|------------|
| \$ 600,000 | U.S. Treasury Notes, 0.38%, 4/30/16 | \$ 599,930 |
| 300,000 | U.S. Treasury Notes, 1.50%, 6/30/16 | 301,383 |
| 1,000,000 | U.S. Treasury Notes, 0.38%, 10/31/16 | 996,914 |
| 600,000 | U.S. Treasury Notes, 1.00%, 10/31/16 | 601,172 |
| 250,000 | U.S. Treasury Notes, 0.50%, 11/30/16 | 249,336 |

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| | | |
|-----------|---|-----------|
| 100,000 | U.S. Treasury Notes, 0.63%, 12/31/16 | 99,832 |
| 100,000 | U.S. Treasury Notes, 0.63%, 5/31/17 | 99,559 |
| 250,000 | U.S. Treasury Notes, 0.88%, 10/15/17 | 249,248 |
| 680,000 | U.S. Treasury Notes, 0.75%, 12/31/17 | 675,405 |
| 350,000 | U.S. Treasury Notes, 0.75%, 3/31/18 | 346,869 |
| 900,000 | U.S. Treasury Notes, 1.38%, 9/30/18 | 902,812 |
| 1,000,000 | U.S. Treasury Notes, 1.38%, 11/30/18 | 1,002,109 |
| 100,000 | U.S. Treasury Notes, 1.38%, 2/28/19 | 99,934 |
| 450,000 | U.S. Treasury Notes, 1.63%, 12/31/19 | 450,018 |
| 550,000 | U.S. Treasury Notes, 3.63%, 2/15/20 | 593,227 |
| 250,000 | U.S. Treasury Notes, 1.25%, 2/29/20 | 245,908 |
| 600,000 | U.S. Treasury Notes, 1.38%, 3/31/20 | 592,617 |
| 250,000 | U.S. Treasury Notes, 1.13%, 4/30/20 | 244,287 |
| 600,000 | U.S. Treasury Notes, 1.38%, 4/30/20 | 592,242 |
| 350,000 | U.S. Treasury Notes, 2.25%, 4/30/21 | 356,945 |
| 200,000 | U.S. Treasury Notes, 1.88%, 11/30/21 | 199,172 |
| 450,000 | U.S. Treasury Notes, 2.13%, 12/31/21 | 453,973 |
| 600,000 | U.S. Treasury Notes, 1.75%, 3/31/22 | 590,765 |
| 50,000 | U.S. Treasury Notes, 1.63%, 8/15/22 | 48,701 |
| 100,000 | U.S. Treasury Notes, 2.00%, 11/30/22 | 99,453 |
| 150,000 | U.S. Treasury Notes, 2.00%, 2/15/23 | 149,127 |
| 100,000 | U.S. Treasury Notes, 2.50%, 8/15/23 | 102,598 |
| 200,000 | U.S. Treasury Notes, | 204,367 |

| | | |
|---------|----------------------|---------|
| | 2.50%, 5/15/24 | |
| 450,000 | U.S. Treasury Notes, | 454,693 |
| | 2.38%, 8/15/24 | |

See Notes to Financial Statements.

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Schedule of Investments (continued)

| Principal Amount | | Value |
|---|--|-----------------------|
| U.S. TREASURY OBLIGATIONS | | |
| (4.6%) (continued) | | |
| \$ 220,000 | U.S. Treasury Notes, 2.25%, 11/15/24 | \$ 219,888 |
| 100,000 | U.S. Treasury Notes, 2.00%, 2/15/25 | 97,754 |
| 300,000 | U.S. Treasury Notes, 2.13%, 5/15/25 | 296,086 |
| 100,000 | U.S. Treasury Notes, 2.25%, 11/15/25 | 99,777 |
| TOTAL U.S. TREASURY OBLIGATIONS | | 15,940,512 |
| (Cost \$15,738,466) (4.6%) | | |
| Shares | | Value |
| SHORT-TERM INVESTMENTS (10.1%) | | |
| MONEY MARKET FUNDS (10.1%) | | |
| 21,715,444 | State Street Institutional Liquid Reserves Fund | 21,715,444 |
| 13,550,306 | State Street Navigator Securities Lending Prime Portfolio(4) | 13,550,306 |
| TOTAL SHORT-TERM INVESTMENTS | | 35,265,750 |
| (Cost \$35,265,750) (10.1%) | | |
| Shares | Value | |
| TOTAL INVESTMENT SECURITIES | | \$ 356,815,076 |
| (101.9%) | | |
| (Cost \$326,326,611) | | |
| EXCESS OF LIABILITIES OVER CASH AND OTHER ASSETS (-1.9%) | | (6,558,066) |
| NET ASSETS (100%) | | \$ 350,257,010 |

*

Non-income producing.

(1)

A portion or all of the security was held on loan. As of December 31, 2015, the market value of the securities on loan was \$13,223,548.

(2)

Pursuant to Rule 144A under the Securities Act of 1933, this security can only be sold to qualified institutional investors.

(3)

The rate shown on floating rate securities is the rate at the end of the reporting period. The rate changes monthly.

(4)

Securities with an aggregate market value of \$13,223,548 were out on loan in exchange for \$13,550,306 of cash collateral as of December 31, 2015. The

collateral was invested in a cash collateral reinvestment vehicle as described in Note 1J in the Notes to Financial Statements.

ADR

American Depositary Receipt.

AGM

Assured Guaranty Municipal.

FHLB

Federal Home Loan Bank.

FHLMC

Federal Home Loan Mortgage Corp.

FNMA

Federal National Mortgage Association.

FREMF

Finnish Real Estate Management Federation.

GMTN

Global Medium Term Note.

GNMA

Government National Mortgage Association.

MTN

Medium Term Note.

REIT

Real Estate Investment Trust.

TBA

To Be Announced.

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The following table summarizes the inputs used to value the Fund's investments in securities as of December 31, 2015 (See Note 1B):

| Investments in Securities: | Level 1 | Level 2 | Level 3 | Total |
|---------------------------------------|----------------|---------------|---------|----------------|
| Assets | | | | |
| Common Stocks* | \$ 241,097,902 | \$ — | \$ — | \$ 241,097,902 |
| Asset-Backed Securities | — | 3,482,509 | — | 3,482,509 |
| Commercial Mortgage-Backed Securities | — | 4,096,002 | — | 4,096,002 |
| Corporate Bonds & Notes* | — | 32,300,873 | — | 32,300,873 |
| Foreign Government Obligations | — | 785,666 | — | 785,666 |
| Long-Term Municipal Securities* | — | 2,164,352 | — | 2,164,352 |
| Short-Term Municipal Securities | — | 378,942 | — | 378,942 |
| U.S. Government Agency Obligations | — | 21,302,568 | — | 21,302,568 |
| U.S. Treasury Obligations | — | 15,940,512 | — | 15,940,512 |
| Short-Term Investments | 35,265,750 | — | — | 35,265,750 |
| Total Investments in Securities | \$ 276,363,652 | \$ 80,451,424 | \$ — | \$ 356,815,076 |

*

See Schedule of Investments for further classification.

See Notes to Financial Statements.

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VALUE LINE LARGER COMPANIES FOCUSED FUND, INC.

INVESTMENT OBJECTIVE AND STRATEGY (condensed) (unaudited)

The Fund's sole investment objective is to realize capital growth.

To achieve the Fund's investment objective EULAV Asset Management (the "Adviser") generally invests substantially all of the Fund's assets in common stock. Under normal circumstances, the Adviser expects that the Fund's portfolio will generally consist of positions in 30 to 50 companies. While the Fund is actively managed by the Adviser, the Adviser relies primarily on the rankings of companies by the Value Line Timeliness™ Ranking System (the "Ranking System") in selecting securities for purchase or sale. The Fund's investments usually, as measured by the number and total value of purchases, are selected from common stocks of larger companies by capitalization that are ranked 1, 2, or 3 by the Ranking System. The Adviser will determine the percentage of the Fund's assets invested in each stock based on the stock's relative attractiveness.

Manager Discussion of Fund Performance

Effective April 1, 2015, Value Line Larger Companies Fund, Inc. was renamed Value Line Larger Companies Focused Fund. Below, Value Line Larger Companies Focused Fund, Inc. portfolio manager Cindy Starke discusses the Fund's performance and positioning for the 12 months ended December 31, 2015.

How did the Fund perform during the annual period?

The Fund generated a total return of 9.88% during the 12 months ended December 31, 2015. This compares to the 1.38% return of the Fund's benchmark, the S&P 500® Index, during the same annual period.

What key factors were responsible for the Fund's performance during the 12-month reporting period?

The Fund outperformed the S&P 500® Index during the 12-month reporting period, attributable primarily to effective stock selection. The Fund's focus on large-cap growth stocks particularly helped, as growth stocks, especially those with secular growth trends and supported by strong sales and earnings trajectories, outperformed value stocks during the reporting period. Also, while sector allocation as a whole had a rather neutral impact, an emphasis on faster growing sectors of the market, such as health care, information technology and consumer discretionary, boosted relative results, as these sectors were rewarded for their better than average earnings growth during the annual period. Also, the Fund held sizable positions in some of the top performing stocks in the S&P 500® Index, including Facebook, Activision Blizzard, Netflix, Alphabet (parent of Google), Amazon.com, Constellation Brands and Edwards Lifesciences.

Which equity market sectors most significantly affected Fund performance?

Effective stock selection in the information technology, consumer staples and consumer discretionary sectors contributed most positively to the Fund's performance. Having an underweighted allocation to energy, which was the weakest sector in the S&P 500® Index during the annual period, and having an overweighted allocation to consumer discretionary, which was the strongest performing sector in the S&P 500® Index during the annual period, also helped.

Partially offsetting these positive contributors was stock selection in the materials sector, which detracted. Also detracting from relative results was not having any exposure to the telecommunication services sector, which outpaced the S&P 500® Index during the annual period.

What were some of the Fund's best-performing individual stocks?

The individual stocks that contributed most to the Fund's relative results were interactive entertainment software developer Activision Blizzard, specialty coffee retailer Starbucks and e-commerce retailing giant Amazon.com. Shares of Activision Blizzard rose due to better than expected sales and earnings growth, driven by strength in both its catalogue and digital games. We believe the company's pending \$5.9 billion acquisition of King Digital, a leading mobile game company, which gives Activision Blizzard access to King Digital's large network of more than 470 million monthly gamers, is an astute move, as it will diversify Activision Blizzard's business and should accelerate its longer-term sales and earnings growth. Starbucks' shares enjoyed double-digit gains driven by good execution as evidenced by stronger than expected U.S. and global year over year same-store sales and higher profits. Amazon.com was one of the best performing stocks in the S&P 500® Index during the annual period, with its stock up by triple-digits, driven by both sales and profitability that was stronger than expected.

Which stocks detracted significantly from the Fund's performance during the annual period?

During the annual period, the stocks that detracted most from the Fund's performance were Michael Kors Holdings, Micron Technology and Harley Davidson. Michael Kors Holdings, which is a designer and retailer of luxury handbags and apparel, lowered its sales and earnings guidance during the annual period, as its U.S. same-store sales were below expectations. Micron Technology is a semiconductor device manufacturer, whose products target a diverse range of end-markets, including networking, computing, automotive and mobility. Its shares declined on disappointing results, and we subsequently sold the

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VALUE LINE LARGER COMPANIES FOCUSED FUND, INC.

(continued)

Manager Discussion (continued) (unaudited)

Fund's position. Harley Davidson, a world leading motorcycle designer and manufacturer, was forced to cut its shipment guidance in 2015 on weaker than expected demand. Although we are fans of the Harley Davidson brand, the company's missteps in 2015, coupled with weakening business fundamentals such as increased competition from Japanese manufacturers and a lack of visibility on the timing of when things might improve, prompted us to sell the Fund's position in its shares.

How did the Fund use derivatives and similar instruments during the reporting period?

The Fund did not use derivatives during the reporting period.

Did the Fund make any significant purchases or sales during the annual period?

During the annual period, we established a Fund position in Netflix on a pullback in its share price and before it reported its first calendar quarter earnings in April 2015. Netflix is the world's leading Internet television network with more than 45 million subscribers in the U.S. and approximately 30 million members internationally. We initiated a Fund position in investment services firm Charles Schwab. We believe that Charles Schwab is well positioned to grow its earnings in the coming years and stands to benefit from higher interest rates. We purchased shares of Vertex Pharmaceuticals, an innovative biotechnology firm with leading therapies for the treatment of cystic fibrosis. We established a Fund position in leading digital payment provider PayPal Holdings after it was spun out of eBay. We believe PayPal Holdings, with its more than 179 million active user accounts, is well positioned to be a winner in the fast growing mobile payments market and growing e-commerce market.

In addition to those sales already mentioned, we sold the Fund's position in Schlumberger, a global provider of oil exploration and production services as we believed the continued drop in the price of oil and the potential of lower oil prices for a longer period was a risk to its share price. We exited the Fund's positions in two health care companies, Pharmacyclics and Salix Pharmaceuticals, after these companies each received a buyout offer during the annual period. Pharmacyclics agreed to be acquired by AbbVie, and Salix Pharmaceuticals agreed to be acquired by Valeant Pharmaceuticals. We eliminated the Fund's position in Trimble Navigation after continued earnings disappointments and weakness in key end markets. Trimble Navigation is a supplier of a wide range of electronic devices and technology services for the construction, transportation, agribusiness and machinery industries.

Were there any notable changes in the Fund's weightings during the 12-month period?

During the 12-month period ended December 31, 2015, we increased the Fund's weightings relative to the S&P 500® Index in the health care and financials sectors and decreased the Fund's relative weightings in the consumer discretionary and industrials sectors. We completely eliminated the Fund's exposures to the energy and materials sectors. The Fund had minimal exposure to energy stocks through most of the annual period, and we eliminated the Fund's last energy holding, Schlumberger, by the end of the third quarter of 2015. In materials, the Fund had held only one position, Monsanto, which we sold.

How was the Fund positioned relative to its benchmark index at the end of December 2015?

As of December 31, 2015, the Fund was overweighted relative to the S&P 500® Index in the health care, consumer discretionary and information technology sectors. The Fund was underweighted relative to the S&P 500® Index in the consumer staples, financials and industrials sectors on the same date. The Fund had no exposure to the utilities, telecommunication services, materials and energy sectors at the end of December 2015.

What is your tactical view and strategy for the months ahead?

Regardless of economic or market conditions, we intend to continue to look for and to emphasize leading larger-capitalization growth stocks that generally are ranked in the higher categories of 1, 2 or 3 in the Value Line Timeliness™ Ranking System. As of December 31, 2015, a majority of the Fund's assets were in stocks that met these criteria. We intend to seek investments in a diversified but focused portfolio of high quality large-cap growth companies that we believe are well positioned to grow sales and earnings over the next few years, regardless of the pace of economic growth or the interest rate environment. As always, our goal is to generate solid returns through capital growth across market cycles.

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Value Line Larger Companies Focused Fund, Inc.
 Portfolio Highlights at December 31, 2015 (unaudited)

Ten Largest Holdings

| Issue | Shares | Value | Percentage of Net Assets |
|------------------------------|---------|---------------|--------------------------------|
| Celgene Corp. | 103,000 | \$ 12,335,280 | 5.3% |
| Alphabet, Inc. | 15,800 | 12,292,558 | 5.3% |
| Facebook, Inc. | 117,000 | 12,245,220 | 5.3% |
| Starbucks Corp. | 172,000 | 10,325,160 | 4.4% |
| Allergan PLC | 33,000 | 10,312,500 | 4.4% |
| Amazon.com, Inc. | 14,500 | 9,800,405 | 4.2% |
| Activision Blizzard, Inc. | 250,000 | 9,677,500 | 4.1% |
| Vertex Pharmaceuticals, Inc. | 76,000 | 9,563,080 | 4.1% |
| Visa, Inc. | 109,000 | 8,452,950 | 3.6% |
| Medivation, Inc. | 173,000 | 8,362,820 | 3.6% |

Asset Allocation – Percentage of Net Assets

Sector Weightings – Percentage of Total Investment Securities*

*
 Sector weightings exclude short-term investments.

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Value Line Larger Companies Focused Fund, Inc.
 Portfolio Highlights at December 31, 2015 (unaudited) (continued)

The following graph compares the performance of the Value Line Larger Companies Focused Fund, Inc. to that of the S&P 500® Index (the “Index”). The Value Line Larger Companies Focused Fund, Inc. is a professionally managed mutual fund, while the Index is not available for investment and is unmanaged. The returns for the Index do not reflect charges, expenses or taxes, but do include the reinvestment of dividends. The comparison is shown for illustrative purposes only.

Comparison of a Change in Value of a \$10,000 Investment in the Value Line Larger Companies Focused Fund, Inc. and the S&P 500® Index*

Performance Data: **

| Investor Class | Average Annual Total Return |
|-------------------------|-----------------------------|
| 1 year ended 12/31/15 | 9.88% |
| 5 years ended 12/31/15 | 12.95% |
| 10 years ended 12/31/15 | 6.98% |
| Institutional Class | |
| Since inception 11/1/15 | -0.73% |

*

The Standard and Poor’s 500® Stock Index is an unmanaged index that is representative of the larger-capitalization stocks traded in the United States.

**

The performance data quoted represent past performance and are no guarantee of future performance. The average annual total returns and growth of an assumed investment of \$10,000 include dividends reinvested and capital gains distributions accepted in shares. The investment return and principal value of an investment will fluctuate so that an investment, when redeemed, may be worth more or less than its original cost. The performance data and graph do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

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Value Line Larger Companies Focused Fund, Inc.

Schedule of Investments December 31, 2015

| Shares | | Value |
|-------------------------|--|--------------|
| COMMON STOCKS (100.0%) | | |
| CONSUMER DISCRETIONARY | | |
| (21.0%) | | |
| 14,500 | Amazon.com, Inc.* | \$ 9,800,405 |
| 60,000 | Michael Kors Holdings, Ltd.* | 2,403,600 |
| 55,000 | Netflix, Inc.* | 6,290,900 |
| 70,000 | NIKE, Inc. Class B | 4,375,000 |
| 4,000 | Priceline Group, Inc. (The)* | 5,099,800 |
| 172,000 | Starbucks Corp. | 10,325,160 |
| 17,000 | Tesla Motors, Inc.*(1) | 4,080,170 |
| 45,000 | TJX Companies, Inc. (The) | 3,190,950 |
| 150,000 | Urban Outfitters, Inc.* | 3,412,500 |
| | | 48,978,485 |
| CONSUMER STAPLES (6.9%) | | |
| 44,000 | Constellation Brands, Inc. Class A | 6,267,360 |
| 43,000 | Estee Lauder Companies, Inc. (The) Class A | 3,786,580 |
| 41,000 | Monster Beverage Corp.* | 6,107,360 |
| | | 16,161,300 |
| FINANCIALS (5.8%) | | |
| 11,000 | BlackRock, Inc. | 3,745,720 |
| 133,000 | Blackstone Group L.P. (The) | 3,888,920 |
| 180,000 | Charles Schwab Corp. (The) | 5,927,400 |
| | | 13,562,040 |
| HEALTH CARE (30.3%) | | |
| 33,000 | Allergan PLC* | 10,312,500 |
| 24,500 | Biogen, Inc.* | 7,505,575 |
| Shares | | Value |
| | HEALTH CARE (30.3%) (continued) | |

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| | | |
|---------|---|--------------|
| 25,000 | BioMarin Pharmaceutical, Inc.* | \$ 2,619,000 |
| 103,000 | Celgene Corp.* | 12,335,280 |
| 70,000 | Cerner Corp.* | 4,211,900 |
| 64,000 | Edwards Lifesciences Corp.* | 5,054,720 |
| 40,000 | Gilead Sciences, Inc. | 4,047,600 |
| 14,000 | Intercept Pharmaceuticals, Inc.*(1) | 2,090,900 |
| 90,000 | Medidata Solutions, Inc.* | 4,436,100 |
| 173,000 | Medivation, Inc.* | 8,362,820 |
| 76,000 | Vertex Pharmaceuticals, Inc.* | 9,563,080 |
| | | 70,539,475 |
| | INDUSTRIALS (2.1%) | |
| 98,000 | Delta Air Lines, Inc. | 4,967,620 |
| | INFORMATION TECHNOLOGY (33.9%) | |
| 250,000 | Activision Blizzard, Inc. | 9,677,500 |
| 65,000 | Akamai Technologies, Inc.* | 3,420,950 |
| 46,000 | Alibaba Group Holding, Ltd. ADR* | 3,738,420 |
| 15,800 | Alphabet, Inc. Class A* | 12,292,558 |
| 68,000 | Apple, Inc. | 7,157,680 |
| 18,000 | Baidu, Inc. ADR * | 3,402,720 |
| 75,000 | Cognizant Technology Solutions Corp. Class A* | 4,501,500 |
| 14,000 | CoStar Group, Inc.* | 2,893,660 |
| 117,000 | Facebook, Inc. Class A* | 12,245,220 |
| Shares | | Value |
| | INFORMATION TECHNOLOGY (33.9%) (continued) | |
| 85,000 | Mobileye N.V.*(1) | \$ 3,593,800 |
| 220,000 | Pandora Media, Inc.* | 2,950,200 |
| 130,000 | PayPal Holdings, Inc.* | 4,706,000 |

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| | | |
|---------------------------------|--------------------|----------------|
| 109,000 | Visa, Inc. Class A | 8,452,950 |
| | | 79,033,158 |
| TOTAL COMMON STOCKS | | 233,242,078 |
| (Cost \$176,217,929) (100.0%) | | |
| SHORT-TERM INVESTMENT (2.5%) | | |
| MONEY MARKET FUND (2.5%) | | |
| State Street Navigator | | |
| 5,843,886 | Securities Lending | 5,843,886 |
| Prime Portfolio(2) | | |
| TOTAL SHORT-TERM INVESTMENTS | | 5,843,886 |
| (Cost \$5,843,886) (2.5%) | | |
| TOTAL INVESTMENT SECURITIES | | \$ 239,085,964 |
| (102.5%) | | |
| (Cost \$182,061,815) | | |
| EXCESS OF LIABILITIES OVER CASH | | (5,900,750) |
| AND OTHER ASSETS (-2.5%) | | |
| NET ASSETS (100%) | | \$ 233,185,214 |

*

Non-income producing.

(1)

A portion or all of the security was held on loan. As of December 31, 2015, the market value of the securities on loan was \$5,752,084.

(2)

Securities with an aggregate market value of \$5,752,084 were out on loan in exchange for \$5,843,886 of cash collateral as of December 31, 2015. The collateral was invested in a cash collateral reinvestment vehicle as described in Note 1J in the Notes to Financial Statements.

ADR

American Depositary Receipt.

The following table summarizes the inputs used to value the Fund's investments in securities as of December 31, 2015 (See Note 1B):

| Investments in Securities: | Level 1 | Level 2 | Level 3 | Total |
|---------------------------------|----------------|---------|---------|----------------|
| Assets | | | | |
| Common Stocks* | \$ 233,242,078 | \$ — | \$ — | \$ 233,242,078 |
| Short-Term Investment | 5,843,886 | — | — | 5,843,886 |
| Total Investments in Securities | \$ 239,085,964 | \$ — | \$ — | \$ 239,085,964 |

*

See Schedule of Investments for further classification.

See Notes to Financial Statements.

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at December 31, 2015

| | Value Line Premier Growth Fund, Inc. | Value Line Mid Cap Focused Fund, Inc. | Value Line Income and Growth Fund, Inc. | Value Line Larger Companies Focused Fund, Inc. |
|---|---|--|--|--|
| Assets: | | | | |
| Investments in securities, at value* | \$ 339,110,880 | \$ 119,291,782 | \$ 356,815,076 | \$ 239,085,964 |
| Receivable for securities sold | 1,558,710 | 323,669 | 7,729,782 | 356,027 |
| Interest and dividends receivable | 244,997 | 53,198 | 727,668 | 10,941 |
| Receivable for capital shares sold | 57,844 | 4,574 | 102,629 | 39,398 |
| Receivable for securities lending income | 4,397 | 373 | 5,218 | 6,050 |
| Prepaid expenses | — | 3,699 | 13,554 | 10,318 |
| Total Assets | 340,976,828 | 119,677,295 | 365,393,927 | 239,508,698 |
| Liabilities: | | | | |
| Payable upon return of securities on loan (See Note 1J) | 10,019,593 | 215,434 | 13,550,306 | 5,843,886 |
| Due to custodian | 387,328 | — | — | 124,521 |
| Payable for capital shares redeemed | 64,813 | 192,408 | 428,559 | 2,055 |
| Payable for securities purchased | — | 262,761 | 789,398 | 131,905 |
| Accrued expenses: | | | | |
| Advisory fee | 214,541 | 70,827 | 201,921 | 148,933 |
| Service and distribution plan fees | 70,908 | 25,382 | 75,355 | 29,563 |
| Directors' fees and expenses | 3,101 | 856 | 2,530 | 716 |
| Other | 91,082 | 42,655 | 88,848 | 41,905 |
| Total Liabilities | 10,851,366 | 810,323 | 15,136,917 | 6,323,484 |
| Net Assets | \$ 330,125,462 | \$ 118,866,972 | \$ 350,257,010 | \$ 233,185,214 |
| Net assets consist of: | | | | |
| Capital stock, at \$1.00 par value (authorized 100,000,000, 50,000,000, 75,000,000 and 50,000,000 shares, respectively) | \$ 11,409,229 | \$ 7,929,159 | \$ 40,148,482 | \$ 8,878,118 |
| Additional paid-in capital | 156,688,836 | 83,190,374 | 272,711,675 | 164,098,117 |
| Undistributed/(distributions in excess of) net investment income | — | (52) | — | — |
| Accumulated net realized gain/(loss) on investments and foreign currency | 3,728,871 | (3,448,026) | 6,908,388 | 3,184,830 |
| Net unrealized appreciation of: | | | | |
| Investments and foreign currency translations | 158,298,526 | 31,195,517 | 30,488,465 | 57,024,149 |

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| | | | | |
|--|----------------|----------------|----------------|----------------|
| Net Assets | \$ 330,125,462 | \$ 118,866,972 | \$ 350,257,010 | \$ 233,185,214 |
| Net Asset Value Per Share | | | | |
| Investor Class | | | | |
| Net Assets | \$ 330,125,462 | \$ 118,866,972 | \$ 350,159,233 | \$ 233,084,610 |
| Shares Outstanding | 11,409,229 | 7,929,159 | 40,148,482 | 8,878,118 |
| Net Asset Value, Offering and Redemption Price per Outstanding Share | \$ 28.93 | \$ 14.99 | \$ 8.72 | \$ 26.25 |
| Institutional Class(1) | | | | |
| Net Assets | \$ — | \$ — | \$ 97,777 | \$ 100,604 |
| Shares Outstanding | — | — | 11,299 | 3,843 |
| Net Asset Value, Offering and Redemption Price per Outstanding Share | \$ — | \$ — | \$ 8.65 | \$ 26.18 |
| * Includes securities on loan of | \$ 9,748,071 | \$ 210,390 | \$ 13,223,548 | \$ 5,752,084 |
| Cost of investments | \$ 180,812,350 | \$ 88,096,265 | \$ 326,326,611 | \$ 182,061,815 |

(1)
Commenced operations on November 1, 2015.

See Notes to Financial Statements.

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Statements of Operations
for the Year Ended December 31, 2015

| | Value Line Premier Growth Fund, Inc. | Value Line Mid Cap Focused Fund, Inc. | Value Line Income and Growth Fund, Inc. | Value Line Larger Companies Focused Fund, Inc. |
|---|---|--|--|--|
| Investment Income: | | | | |
| Dividends (net of foreign withholding tax of \$53,526, \$9,074, \$54,748 and \$0, respectively) | \$ 3,410,802 | \$ 869,766 | \$ 4,732,351 | \$ 1,293,217 |
| Interest | 1,152 | 2,877 | 2,089,318 | 552 |
| Securities lending income | 52,606 | 7,536 | 44,072 | 37,965 |
| Total Income | 3,464,560 | 880,179 | 6,865,741 | 1,331,734 |
| Expenses: | | | | |
| Advisory fee | 2,696,758 | 852,189 | 2,512,926 | 1,718,905 |
| Service and distribution plan fees | 898,919 | 308,534 | 947,239 | 572,928 |
| Sub-transfer agent fees | 77,418 | 6,375 | 66,950 | 11,421 |
| Transfer agent fees | 215,603 | 139,814 | 213,934 | 159,979 |
| Auditing and legal fees | 186,065 | 73,148 | 211,773 | 139,188 |
| Tax expense | 37,246 | 13,471 | 39,862 | 24,642 |
| Directors' fees and expenses | 83,891 | 28,926 | 90,185 | 53,399 |
| Custodian fees | 68,392 | 36,698 | 112,082 | 43,016 |
| Printing and postage | 61,132 | 23,715 | 52,876 | 26,458 |
| Insurance | 47,365 | 15,569 | 46,344 | 27,527 |
| Registration and filing fees | 32,379 | 31,180 | 41,937 | 39,072 |
| Other | 3,757 | 3,952 | 4,127 | 3,483 |
| Total Expenses Before Fees Waived (See Note 5) | 4,408,925 | 1,533,571 | 4,340,235 | 2,820,018 |
| Less: Service and Distribution Plan Fees Waived | — | — | — | (229,171) |
| Net Expenses | 4,408,925 | 1,533,571 | 4,340,235 | 2,590,847 |
| Net Investment Income/(Loss) | (944,365) | (653,392) | 2,525,506 | (1,259,113) |
| Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Exchange Transactions: | | | | |
| Net Realized Gain/(Loss) From: | | | | |
| Investments | 35,819,914 | 3,951,385 | 23,182,496 | 8,666,812 |
| Foreign currency translations | (371) | (458) | (1,858) | — |
| | 35,819,543 | 3,950,927 | 23,180,638 | 8,666,812 |
| Change in Net Unrealized Appreciation/(Depreciation) of: | | | | |

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| | | | | |
|--|--------------|--------------|----------------|---------------|
| Investments | (33,076,016) | 411,207 | (29,777,346) | 14,051,769 |
| Foreign currency transactions | 146 | 62 | 259 | — |
| | (33,075,870) | 411,269 | (29,777,087) | 14,051,769 |
| Net Realized Gain on Investments and Foreign Exchange Transactions | 2,743,673 | 4,362,196 | (6,596,449) | 22,718,581 |
| Increase/(Decrease) in Net Assets from Operations | \$ 1,799,308 | \$ 3,708,804 | \$ (4,070,943) | \$ 21,459,468 |
| See Notes to Financial Statements. | | | | |

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Statement of Changes in Net Assets
for the Years Ended December 31, 2015 and 2014

| | Value Line Premier Growth Fund, Inc. | |
|---|---|------------------------------------|
| | Year Ended December 31, 2015 | Year Ended December 31, 2014 |
| Operations: | | |
| Net investment income/(loss) | \$ (944,365) | \$ 57,514 |
| Net realized gain on investments and foreign currency | 35,819,543 | 41,179,740 |
| Change in net unrealized appreciation/(depreciation) on investments and foreign currency translations | (33,075,870) | (16,345,487) |
| Net increase/(decrease) in net assets from operations | 1,799,308 | 24,891,767 |
| Distributions to Shareholders from: | | |
| Net investment income | | |
| Investor Class | — | (61,622) |
| Net realized gain from investment transactions | | |
| Investor Class | (49,267,213) | (25,724,253) |
| Institutional Class(1) | — | — |
| Total distributions | (49,267,213) | (25,785,875) |
| Share Transactions: | | |
| Proceeds from sale of shares | | |
| Investor Class | 11,916,182 | 13,323,691 |
| Institutional Class(1) | — | — |
| Proceeds from reinvestment of dividends and distributions to shareholders | | |
| Investor Class | 47,402,765 | 24,811,248 |
| Institutional Class(1) | — | — |
| Cost of shares redeemed | | |
| Investor Class | (60,930,342) | (60,109,021) |
| Net increase/(decrease) in net assets from capital share transactions | (1,611,395) | (21,974,082) |
| Total increase/(decrease) in net assets | (49,079,300) | (22,868,190) |
| Net Assets: | | |
| Beginning of year | 379,204,762 | 402,072,952 |
| End of year | \$ 330,125,462 | \$ 379,204,762 |
| Undistributed/(distributions in excess of) net investment income included in net assets, at end of year | \$ — | \$ — |
| Capital Share Transactions: | | |
| Shares sold | | |
| Investor Class | 348,852 | 386,218 |
| Institutional Class(1) | — | — |
| Shares issued to shareholders in reinvestment of dividends and distributions | | |

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| | | |
|-------------------------|-------------|-------------|
| Investor Class | 1,643,647 | 732,327 |
| Institutional Class(1) | — | — |
| Shares redeemed | | |
| Investor Class | (1,790,435) | (1,739,937) |
| Net increase (decrease) | 202,064 | (621,392) |

(1)
Commenced operations on November 1, 2015.

See Notes to Financial Statements.

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| | Value Line Mid Cap Focused Fund, Inc. | | Value Line Income and Growth Fund, Inc. | | Value Line La Focused Fund, |
|---|--|------------------------------------|--|------------------------------------|------------------------------------|
| | Year Ended December 31, 2015 | Year Ended December 31, 2014 | Year Ended December 31, 2015 | Year Ended December 31, 2014 | Year Ended December 31, 2015 |
| Operations: | | | | | |
| Net investment income/(loss) | \$ (653,392) | \$ (76,522) | \$ 2,525,506 | \$ 4,038,206 | \$ (1,259,113) |
| Net realized gain on investments and foreign currency | 3,950,927 | 35,534,781 | 23,180,638 | 48,168,245 | 8,666,812 |
| Change in net unrealized appreciation/(depreciation) on investments and foreign currency translations | 411,269 | (26,132,673) | (29,777,087) | (17,252,522) | 14,051,769 |
| Net increase/(decrease) in net assets from operations | 3,708,804 | 9,325,586 | (4,070,943) | 34,953,929 | 21,459,468 |
| Distributions to Shareholders from: | | | | | |
| Net investment income | | | | | |
| Investor Class | — | (53,892) | (2,398,422) | (3,856,847) | — |
| Net realized gain from investment transactions | | | | | |
| Investor Class | — | — | (20,611,890) | (47,080,686) | (12,827,989) |
| Institutional Class(1) | — | — | (5,734) | — | (5,527) |
| Total distributions | — | (53,892) | (23,016,046) | (50,937,533) | (12,833,516) |
| Share Transactions: | | | | | |
| Proceeds from sale of shares | | | | | |
| Investor Class | 2,876,372 | 2,529,342 | 68,999,864 | 54,875,559 | 9,408,323 |
| Institutional Class(1) | — | — | 100,000 | — | 100,000 |
| Proceeds from reinvestment of dividends and distributions to shareholders | | | | | |
| Investor Class | — | 51,031 | 21,497,928 | 47,389,404 | 12,288,591 |
| Institutional Class(1) | — | — | 5,734 | — | 5,527 |
| Cost of shares redeemed | | | | | |
| Investor Class | (13,047,858) | (11,790,448) | (85,966,678) | (44,272,311) | (17,790,762) |
| Net increase/(decrease) in net assets from capital share transactions | (10,171,486) | (9,210,075) | 4,636,848 | 57,992,652 | 4,011,679 |

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| | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|
| Total increase/(decrease) in net assets | (6,462,682) | 61,619 | (22,450,141) | 42,009,048 | 12,637,631 |
| Net Assets: | | | | | |
| Beginning of year | 125,329,654 | 125,268,035 | 372,707,151 | 330,698,103 | 220,547,588 |
| End of year | \$ 118,866,972 | \$ 125,329,654 | \$ 350,257,010 | \$ 372,707,151 | \$ 233,185,211 |
| Undistributed/(distributions in excess of) net investment income included in net assets, at end of year | \$ (52) | \$ (24) | \$ — | \$ — | \$ — |
| Capital Share Transactions: | | | | | |
| Shares sold | | | | | |
| Investor Class | 191,338 | 183,862 | 7,270,730 | 5,322,463 | 346,690 |
| Institutional Class(1) | — | — | 10,638 | — | 3,631 |
| Shares issued to shareholders in reinvestment of dividends and distributions | | | | | |
| Investor Class | — | 3,508 | 2,454,598 | 5,007,068 | 469,747 |
| Institutional Class(1) | — | — | 661 | — | 212 |
| Shares redeemed | | | | | |
| Investor Class | (872,463) | (855,317) | (9,238,315) | (4,347,399) | (662,900) |
| Net increase (decrease) | (681,125) | (667,947) | 498,312 | 5,982,132 | 157,380 |

(1)
Commenced operations on November 1, 2015.

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Financial Highlights

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

| | Income/(loss) from investment operations: | | | | Less distributions: | | | |
|---------------------------------------|---|------------------------------|---|----------------------------------|---------------------|--------------------------------------|---------------------------------------|---------------------|
| | Net Asset value beginning of year | Net investment income/(loss) | Net gains/(losses) on securities (both realized and unrealized) | Total from investment operations | Redemption Fees | Dividends from net investment income | Distributions from net realized gains | Total distributions |
| Value Line Premier Growth Fund, Inc. | | | | | | | | |
| Investor Class | | | | | | | | |
| Year ended December 31, 2015 | 33.84 | (0.07) | 0.14 | 0.07 | — | — | (4.98) | (4.98) |
| Year ended December 31, 2014 | 33.99 | 0.01 | 2.29 | 2.30 | — | (0.01) | (2.44) | (2.45) |
| Year ended December 31, 2013 | 28.84 | 0.00(1) | 7.64 | 7.64 | — | — | (2.49) | (2.49) |
| Year ended December 31, 2012 | 26.48 | 0.09 | 4.59 | 4.68 | — | (0.09) | (2.23) | (2.32) |
| Year ended December 31, 2011 | 26.82 | (0.08) | 1.30 | 1.22 | — | — | (1.56) | (1.56) |
| Value Line Mid Cap Focused Fund, Inc. | | | | | | | | |
| Investor Class | | | | | | | | |
| Year ended December 31, 2015 | 14.56 | (0.08) | 0.51 | 0.43 | — | — | — | — |
| Year ended December 31, 2014 | 13.50 | (0.01) | 1.08 | 1.07 | — | (0.01) | — | (0.01) |
| Year ended December 31, | 10.36 | 0.01 | 3.19 | 3.20 | — | (0.06) | — | (0.06) |

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| | | | | | | | | |
|--|-------|-----------|--------|--------|------|-----------|--------|-----------|
| 2013 | | | | | | | | |
| Year ended | | | | | | | | |
| December 31, 2012 | 9.04 | 0.05 | 1.27 | 1.32 | — | — | — | — |
| Year ended | | | | | | | | |
| December 31, 2011 | 8.55 | (0.00)(1) | 0.49 | 0.49 | — | (0.00)(1) | — | (0.00)(1) |
| Value Line Income and Growth Fund, Inc. | | | | | | | | |
| Investor Class | | | | | | | | |
| Year ended | | | | | | | | |
| December 31, 2015 | 9.40 | 0.06 | (0.14) | (0.08) | — | (0.06) | (0.54) | (0.60) |
| Year ended | | | | | | | | |
| December 31, 2014 | 9.82 | 0.12 | 0.92 | 1.04 | — | (0.11) | (1.35) | (1.46) |
| Year ended | | | | | | | | |
| December 31, 2013 | 8.67 | 0.12 | 1.57 | 1.69 | — | (0.12) | (0.42) | (0.54) |
| Year ended | | | | | | | | |
| December 31, 2012 | 8.27 | 0.13 | 0.74 | 0.87 | — | (0.13) | (0.34) | (0.47) |
| Year ended | | | | | | | | |
| December 31, 2011 | 8.46 | 0.11 | (0.19) | (0.08) | — | (0.11) | — | (0.11) |
| Institutional Class | | | | | | | | |
| Period ended | | | | | | | | |
| December 31, 2015(2) | 9.50 | (0.07) | (0.24) | (0.31) | — | — | (0.54) | (0.54) |
| Value Line Larger Companies Focused Fund, Inc. | | | | | | | | |
| Investor Class | | | | | | | | |
| Year ended | | | | | | | | |
| December 31, 2015 | 25.28 | (0.14) | 2.63 | 2.49 | — | — | (1.52) | (1.52) |
| Year ended | | | | | | | | |
| December 31, 2014 | 25.57 | (0.01) | 3.23 | 3.22 | — | (0.11) | (3.40) | (3.51) |
| Year ended | | | | | | | | |
| December 31, 2013 | 19.78 | 0.13 | 5.81 | 5.94 | 0.00 | (0.15) | — | (0.15) |

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| | | | | | | | | |
|---|-------|--------|--------|--------|------|--------|--------|--------|
| Year ended December 31, 2012 | 17.34 | 0.16 | 2.40 | 2.56 | 0.00 | (0.12) | — | (0.12) |
| Year ended December 31, 2011 | 17.47 | 0.12 | (0.17) | (0.05) | 0.00 | (0.08) | — | (0.08) |
| Institutional Class Period ended December 31, 2015(2) | 27.91 | (0.09) | (0.12) | (0.21) | — | — | (1.52) | (1.52) |

*

Ratio reflects expenses grossed up for the custody credit arrangement, waiver of the advisory fees by the Adviser and the service and distribution plan fees by the Distributor. The custody credit arrangement was discontinued as of January 1, 2013.

**

Ratio reflects expenses net of the custody credit arrangement, waiver of the advisory fees by the Adviser and the service and distribution plan fees by the Distributor. The custody credit arrangement was discontinued as of January 1, 2013.

(1)

Amount is less than \$0.01 per share.

(2)

Commenced operations on November 1, 2015.

(3)

Not annualized.

(4)

Annualized.

See Notes to Financial Statements.

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| Ratios/Supplemental Data: | | | | | | | |
|---------------------------------------|------------------------------|--------------|--|--|---|---|-------------------------|
| | Net asset value, end of year | Total return | Net assets, end of year (in thousands) | Ratio of gross expenses to average net assets* | Ratio of net expenses to average net assets** | Ratio of net investment income/(loss) to average net assets | Portfolio turnover rate |
| Value Line Premier Growth Fund, Inc. | | | | | | | |
| Investor Class | | | | | | | |
| Year ended December 31, 2015 | 28.93 | 0.25% | 330,125 | 1.23% | 1.23% | (0.26)% | 12% |
| Year ended December 31, 2014 | 33.84 | 6.75% | 379,205 | 1.23% | 1.23% | 0.01% | 9% |
| Year ended December 31, 2013 | 33.99 | 26.56% | 402,073 | 1.24% | 1.24% | (0.02)% | 11% |
| Year ended December 31, 2012 | 28.84 | 17.80% | 337,436 | 1.25% | 1.25% | 0.28% | 15% |
| Year ended December 31, 2011 | 26.48 | 4.59% | 298,428 | 1.24% | 1.24% | (0.28)% | 20% |
| Value Line Mid Cap Focused Fund, Inc. | | | | | | | |
| Investor Class | | | | | | | |
| Year ended December 31, 2015 | 14.99 | 2.95% | 118,867 | 1.24% | 1.24% | (0.53)% | 17% |
| Year ended December 31, 2014 | 14.56 | 7.90% | 125,330 | 1.23% | 1.23% | (0.06)% | 61% |
| Year ended December 31, 2013 | 13.50 | 30.86% | 125,268 | 1.26% | 1.12% | 0.05% | 7% |
| Year ended December 31, 2012 | 10.36 | 14.60% | 109,798 | 1.28% | 1.03% | 0.46% | 6% |
| | 9.04 | 5.75% | 133,336 | 1.29% | 0.94% | (0.02)% | 18% |

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| | | | | | | | |
|--|-------|------------|---------|----------|----------|------------|--------|
| Year ended December 31, 2011 | | | | | | | |
| Value Line Income and Growth Fund, Inc. | | | | | | | |
| Investor Class | | | | | | | |
| Year ended December 31, 2015 | 8.72 | (0.86)% | 350,159 | 1.15% | 1.15% | 0.67% | 45% |
| Year ended December 31, 2014 | 9.40 | 10.62% | 372,707 | 1.15% | 1.12% | 1.17% | 57% |
| Year ended December 31, 2013 | 9.82 | 19.55% | 330,698 | 1.16% | 1.11% | 1.26% | 27% |
| Year ended December 31, 2012 | 8.67 | 10.62% | 295,705 | 1.19% | 1.14% | 1.48% | 31% |
| Year ended December 31, 2011 | 8.27 | (0.90)% | 306,227 | 1.20% | 1.15% | 1.25% | 57% |
| Institutional Class | | | | | | | |
| Period ended December 31, 2015(3) | 8.65 | (3.29)%(3) | 98 | 6.19%(4) | 6.19%(4) | (5.02)%(4) | 45%(3) |
| Value Line Larger Companies Focused Fund, Inc. | | | | | | | |
| Investor Class | | | | | | | |
| Year ended December 31, 2015 | 26.25 | 9.88% | 233,085 | 1.23% | 1.13% | (0.55)% | 37% |
| Year ended December 31, 2014 | 25.28 | 12.41% | 220,548 | 1.23% | 1.13% | (0.07)% | 89% |
| Year ended December 31, 2013 | 25.57 | 30.05% | 211,508 | 1.25% | 1.06% | 0.48% | 8% |
| Year ended December 31, 2012 | 19.78 | 14.82% | 184,243 | 1.27% | 1.02% | 0.72% | 17% |
| | 17.34 | (0.27)% | 178,783 | 1.25% | 1.00% | 0.60% | 30% |

Year ended
December 31,
2011

Institutional
Class

Period ended
December 31,
2015(3)

| | | | | | | |
|-------|------------|-----|----------|----------|------------|--------|
| 26.18 | (0.73)%(3) | 101 | 2.70%(4) | 2.70%(4) | (2.16)%(4) | 37%(3) |
|-------|------------|-----|----------|----------|------------|--------|

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Notes to Financial Statements

1. Significant Accounting Policies

Value Line Premier Growth Fund, Inc., Value Line Mid Cap Focused Fund, Inc. (formerly, The Value Line Fund, Inc.), Value Line Income and Growth Fund, Inc., and Value Line Larger Companies Focused Fund, Inc. (formerly, Value Line Larger Companies Fund, Inc.) (individually a “Fund” and collectively, the “Funds”) are each registered under the Investment Company Act of 1940, as amended, as diversified, open-end management investment companies.

Value Line Income & Growth Fund, Inc. and Value Line Larger Companies Focused Fund, Inc. offers two classes of shares: Investor shares and institutional shares. Investor shares are available to any investor who meets the fund’s minimum purchase requirement. Institutional shares are designed for investors who meet certain administrative, service and account size criteria. The primary investment objective of the Value Line Premier Growth Fund, Inc. is long-term growth of capital. The primary investment objective of the Value Line Mid Cap Focused Fund, Inc. is long-term growth of capital and current income is a secondary investment objective. The primary investment objective of the Value Line Income and Growth Fund, Inc. is income, as high and dependable as is consistent with reasonable risk and capital growth to increase total return. The sole investment objective of the Value Line Larger Companies Focused Fund, Inc. is to realize capital growth. The Value Line Funds (the “Value Line Funds”) is a family of 12 mutual funds that includes a wide range of solutions designed to meet virtually any investment goal and consists of a variety of equity, fixed income, and hybrid funds.

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 may differ from those estimates. The following is a summary of significant accounting policies consistently followed by the Funds in the preparation of their 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 (“NAV”) is being determined. Securities traded on the National Association of Securities Dealers Automated Quotations (“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 of 60 days or less at the date of purchase are valued at amortized cost, which approximates fair 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.

Investments in shares of open-end mutual funds, including money market funds, are valued at their daily NAV which is calculated as of the close of regular trading on the NYSE (usually 4:00 P.M. Eastern Standard Time) on each day on which the NYSE is open for business. NAV per share is determined by dividing the Fund’s total net assets by the Fund’s total number of shares outstanding at the time of calculation.

The Board of Directors (the “Board”) has determined that the value of bonds and other fixed income corporate securities be calculated on the valuation date by reference to valuations obtained from an independent pricing service that determines valuations for normal institutional-size trading units of debt securities, without exclusive reliance upon quoted prices. This service takes into account appropriate factors such as institutional-size trading in similar groups of securities, yield, quality, coupon rate, maturity, type of issue, trading characteristics and other market data in determining valuations. Bonds and fixed income securities are valued at the evaluated bid on the date as of which the NAV is being determined. Securities, other than bonds and other fixed income securities, not priced in this manner are valued at the midpoint between the latest available and representative asked and bid prices, or when stock valuations are used, at the latest quoted sale price as of the regular close of business of the New York Stock Exchange (“NYSE”) on the valuation date.

The Board has adopted procedures for valuing portfolio securities in circumstances where market quotes are not readily available, and has delegated the responsibility for applying the valuation methods to the Adviser. A valuation committee (the “Valuation Committee”) was established by the Board to oversee the implementation of the Funds’

valuation methods and to make fair value determinations on behalf of the Board, as instructed. The Adviser monitors the continued appropriateness of methods applied and determines if adjustments should be made in light of market changes, events affecting the issuer, or other factors. If the Adviser determines that a valuation method may no longer be appropriate, another valuation method may be selected, or the Valuation

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Committee will be convened to consider the matter and take any appropriate action in accordance with procedures set forth by the Board. The Board shall review the appropriateness of the valuation methods and these methods may be amended or supplemented from time to time by the Valuation Committee. In addition, the Funds may use the fair value of a security when the closing market price on the primary exchange where the security is traded no longer 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 Funds follow fair valuation accounting standards (FASB ASC 820-10) which establishes 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 Funds follow 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 disclosures about the valuation techniques and inputs used to measure fair value for investments that fall in either Level 2 or Level 3 of the fair value hierarchy.

For the year ended December 31, 2015, there were no transfers between Level 1, Level 2, and Level 3 assets for each fund.

The Funds' policy is to recognize transfers between levels at the beginning of the reporting period.

The amounts and reasons for all transfers in and out of each level within the three-tier hierarchy are disclosed when the Funds had an amount of total transfers during the reporting period that were meaningful in relation to their net assets as of the end of the reporting period (e.g. greater than 1%). An investment asset's or liability's level within the fair value hierarchy is based on the lowest level input, individually or in aggregate, that is significant to fair value measurement. The objective of fair value measurement remains the same even when there is a significant decrease in the volume and level of activity for an asset or liability and regardless of the valuation techniques used.

For the year ended December 31, 2015, there were no Level 3 investments for each fund. The Schedule of Investments includes a breakdown of the Funds' investments by category.

(C) Federal Income Taxes: It is the policy of each Fund to continue to qualify as a regulated investment company by complying with the provisions available to regulated investment companies, as defined in applicable sections of the Internal Revenue Code, and to distribute all of their investment income and capital gains to their shareholders. Therefore, no provision for federal income tax is required.

As of December 31, 2015, and for all open tax years, management has analyzed the Funds' tax positions taken on federal and state income tax returns, and has concluded that no provision for federal or state income tax is required in the Funds' financial statements. The Funds' federal and state income tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and the state departments of revenue.

(D) Security Transactions and Distributions: Security transactions are accounted for on the date the securities are purchased or sold. Realized gains and losses on sales of securities are calculated for financial accounting and federal income tax purposes on the basis of first in first out convention (“FIFO”). Dividend income and distributions to shareholders are recorded on the ex-dividend date. Distributions are determined in accordance

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with income tax regulations, which may differ from generally accepted accounting principles. Interest income, adjusted for the amortization of discount and premium, is earned from settlement date and recognized on the accrual basis. Gains and losses realized on prepayments received on mortgage-related securities are recorded as interest income.

The dividends and distributions were as follows:

| | Year Ended December 31, 2015 | Year Ended December 31, 2014 |
|---|------------------------------------|------------------------------------|
| Value Line Premier Growth Fund, Inc. | | |
| Dividends per share from net investment income | \$ 0.0000 | \$ 0.0059 |
| Distributions per share from net realized gains | \$ 4.9787 | \$ 2.4421 |
| Value Line Mid Cap Focused Fund, Inc. | | |
| Dividends per share from net investment income | \$ 0.0000 | \$ 0.0063 |
| Distributions per share from net realized gains | \$ 0.0000 | \$ 0.0000 |
| Value Line Income and Growth Fund, Inc. | | |
| Investor Class: | | |
| Dividends per share from net investment income | \$ 0.0596 | \$ 0.1147 |
| Distributions per share from net realized gains | \$ 0.5390 | \$ 1.3457 |
| Institutional Class*: | | |
| Dividends per share from net investment income | \$ 0.0000 | |
| Distributions per share from net realized gains | \$ 0.5390 | |
| Value Line Larger Companies Focused Fund, Inc. | | |
| Investor Class: | | |
| Dividends per share from net investment income | \$ 0.0000 | \$ 1.0600 |
| Distributions per share from net realized gains | \$ 1.5221 | \$ 3.3972 |
| Institutional Class*: | | |
| Dividends per share from net investment income | \$ 0.0000 | |
| Distributions per share from net realized gains | \$ 1.5221 | |

*

Commenced operations on November 1, 2015.

The Income and Growth Fund may purchase mortgage pass-through securities on a to-be-announced (“TBA”) basis, with payment and delivery scheduled for a future date. The Fund may enter into a TBA agreement, sell the obligation to purchase the pools stipulated in the TBA agreement prior to the stipulated settlement date and enter into a new TBA agreement for future delivery of pools of mortgage pass-through securities (a “TBA roll”). A TBA roll is treated by the Fund as a purchase transaction and a sale transaction in which the Fund realizes a gain or loss. The Funds use of TBA rolls may cause the Fund to experience higher portfolio turnover and higher transaction costs. The Fund could be exposed to possible risk if there is an adverse market action, expenses or delays in connection with TBA transactions, or if the counterparty fails to complete the transaction.

Income dividends and capital gains distributions are automatically reinvested in additional shares of the Fund unless the shareholder has requested otherwise. Income earned by the Fund on weekends, holidays and other days on which the Fund is closed for business is declared as a dividend on the next day on which the Fund is open for business. The Value Line Income and Growth Fund, Inc. distributes all of its net investment income quarterly and the Value Line

Premier Growth Fund, Inc., the Value Line Mid Cap Focused Fund, Inc., and the Value Line Larger Companies Focused Fund, Inc. distribute all of their net investment income annually. Net realized capital gains if any, are distributed to shareholders annually or more frequently if necessary to comply with the Internal Revenue Code.

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(E) Class Allocations: Income, expenses, and realized and unrealized gains or losses on investments are generally allocated to each class of shares based on its relative net assets, except that each class separately bears expenses related specifically to that class, such as certain shareholder servicing fees.

(F) Foreign Currency Translation: The books and records of the Funds 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 at the valuation date. The Funds do 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 Funds, 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 Funds enter into contracts that contain a variety of representations and warranties which provide general indemnifications. The Funds' maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Funds that have not yet occurred. However, based on experience, management expects the risk of loss to be remote.

(H) Accounting for Real Estate Investment Trusts: The Funds own shares of Real Estate Investment Trusts ("REITs") which report information on the source of their distributions annually. Distributions received from REITs during the year which represent a return of capital are recorded as a reduction of cost and distributions which represent a capital gain dividend are recorded as a realized long-term capital gain on investments.

(I) Foreign Taxes: The Funds may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Funds 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.

(J) Securities Lending: Under an agreement with State Street Bank & Trust ("State Street"), the Funds can lend their securities to brokers, dealers and other financial institutions approved by the Board. By lending their investment securities, the Funds attempt to increase their net investment income through receipt of interest on the loan. Any gain or loss in the market price of the securities loaned that might occur and any interest or dividends declared during the term of the loan would accrue to the account of the Funds. Risks of delay in recovery of the securities or even loss of rights in the collateral may occur should the borrower of the securities fail financially. Generally, in the event of a counter-party default, the Funds have the right to use the collateral to offset the losses incurred. The lending fees received and the Funds' portion of the interest income earned on the cash collateral are included in the Statements of Operations.

Upon entering into a securities lending transaction, the Funds receive cash or other securities as collateral in an amount equal to or exceeding 102% of the current market value of the loaned securities. Any cash received as collateral is invested by State Street Global Advisors, acting in its capacity as securities lending agent (the "Agent"), in the Value Line Funds collateral account, which is subsequently invested into joint repurchase agreements and/or State Street Navigator Securities Lending Prime Portfolio. When the Funds invest the cash collateral in the State Street Navigator Securities Lending Prime Portfolio, a portion of the dividends received on the collateral is rebated to the borrower of the securities and the remainder is split between the Agent and the Funds.

The Funds enter into joint repurchase agreements whereby their uninvested cash collateral from securities lending is deposited into a joint cash account with other funds managed by the Adviser and may be used to invest in one or more repurchase agreements. The value and face amount of the joint repurchase agreement are allocated to the funds based on their pro-rata interest in the repurchase agreement. A repurchase agreement is accounted for as a loan by the funds to the seller, collateralized by securities which are delivered to the Fund's custodian. The

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Notes to Financial Statements (continued)

market value, including accrued interest, of the initial collateralization is required to be at least 102% of the dollar amount invested by the funds, with the value of the underlying securities marked-to-market daily to maintain coverage of at least 100%. Investments made with the cash collateral are disclosed on the Schedules of Investments.

As of December 31, 2015, the Value Line Funds were not invested in joint repurchase agreements.

As of December 31, 2015, the Funds loaned securities which were collateralized by cash which was reinvested into the State Street Navigator Securities Lending Prime Portfolio as disclosed on the Schedule of Investments. The value of the securities on loan and the value of the related collateral were as follows:

| Fund | Value of Securities Loaned | Value of Collateral | Total Collateral (including Calculated Mark)* |
|--|----------------------------|---------------------|---|
| Value Line Premier Growth Fund, Inc. | \$ 9,748,071 | \$ 10,019,593 | \$ 9,960,118 |
| Value Line Mid Cap Focused Fund, Inc. | 210,390 | 215,434 | 214,652 |
| Value Line Income and Growth Fund, Inc. | 13,223,548 | 13,550,306 | 13,526,775 |
| Value Line Larger Companies Focused Fund, Inc. | 5,752,084 | 5,843,886 | 5,872,415 |

*

Balances represent the end of day mark-to-market of securities lending collateral that will be reflected by the Funds as of the next business day.

The following tables represent the amount of payables for cash collateral received on securities on loan as shown on the Statements of Assets and Liabilities for the year ended December 31, 2015.

| Value Line Premier Growth Fund, Inc. | Remaining Contractual Maturity of the Agreements As of December 31, 2015 | | | | | Total |
|--|---|----------|----------------------|----------|--|---------------|
| | Overnight and Continuous | <30 days | Between 30 & 90 days | >90 days | | |
| Securities Lending Transactions | | | | | | |
| Common Stocks | \$ 10,019,593 | \$ — | \$ — | \$ — | | \$ 10,019,593 |
| Total Borrowings | \$ 10,019,593 | \$ — | \$ — | \$ — | | \$ 10,019,593 |
| Gross amount of recognized liabilities for securities lending transactions | | | | | | \$ 10,019,593 |

| Value Line Mid Cap Focused Fund, Inc. | Remaining Contractual Maturity of the Agreements As of December 31, 2015 | | | | | Total |
|--|---|----------|----------------------|----------|--|------------|
| | Overnight and Continuous | <30 days | Between 30 & 90 days | >90 days | | |
| Securities Lending Transactions | | | | | | |
| Common Stocks | \$ 215,434 | \$ — | \$ — | \$ — | | \$ 215,434 |
| Total Borrowings | \$ 215,434 | \$ — | \$ — | \$ — | | \$ 215,434 |
| Gross amount of recognized liabilities for securities lending transactions | | | | | | \$ 215,434 |

Remaining Contractual Maturity of the Agreements
As of December 31, 2015

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| Value Line Income and Growth Fund, Inc. | Overnight and Continuous | <30 days | Between 30 & 90 days | >90 days | Total |
|--|--------------------------------|-------------|----------------------------|-------------|---------------|
| Securities Lending Transactions | | | | | |
| Common Stocks | \$ 8,240,907 | \$ — | \$ — | \$ — | \$ 8,240,907 |
| Corporate Bonds & Notes | 5,309,399 | — | — | — | 5,309,399 |
| Total | \$ 13,550,306 | \$ — | \$ — | \$ — | \$ 13,550,306 |
| Total Borrowings | \$ 13,550,306 | \$ — | \$ — | \$ — | \$ 13,550,306 |
| Gross amount of recognized liabilities for securities lending transactions | | | | | \$ 13,550,306 |

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| Value Line Larger Companies Focused Fund, Inc. | Remaining Contractual Maturity of the Agreements As of December 31, 2015 | | | | |
|--|---|-------------|----------------------------|-------------|--------------|
| | Overnight and Continuous | <30 days | Between 30 & 90 days | >90 days | Total |
| Securities Lending Transactions | | | | | |
| Common Stocks | \$ 5,843,886 | \$ — | \$ — | \$ — | \$ 5,843,886 |
| Total Borrowings | \$ 5,843,886 | \$ — | \$ — | \$ — | \$ 5,843,886 |
| Gross amount of recognized liabilities for securities lending transactions | | | | | \$ 5,843,886 |

(K) Options: The Value Line Income and Growth Fund, Inc.'s investment strategy allows the use of options. The Fund utilizes options to hedge against changes in market conditions or to provide market exposure while trying to reduce transaction costs.

When the Fund writes a put or call option, an amount equal to the premiums received is included on the Statement of Assets and Liabilities as a liability. The amount of the liability is subsequently marked-to-market to reflect the current market value of the option. If an option expires on its stipulated expiration date or if the Fund enters into a closing purchase transaction, a gain or loss is realized. If a written call option on an individual security is exercised, a gain or loss is realized for the sale of the underlying security, and the proceeds from the sale are increased by the premium originally received. If a written put option on an individual security is exercised, the cost of the security acquired is decreased by the premium originally received. As a writer of an option, a Fund bears the market risk of an unfavorable change in the price of the individual security underlying the written option. Additionally, written call options may involve the risk of limited gains.

The Fund may also purchase put and call options. When a Fund purchases a put or call option, an amount equal to the premium paid is included on the Fund's Statement of Assets and Liabilities as an investment, and is subsequently marked-to-market to reflect the current market value of the option. If an option expires on the stipulated expiration date or if the Fund enters into a closing sale transaction, a gain or loss is realized. If the Fund exercises a call option on an individual security, the cost of the security acquired is increased by the premium paid for the call. If the Fund exercises a put option on an individual security, a gain or loss is realized from the sale of the underlying security, and the proceeds from such a sale are decreased by the premium originally paid. Written and purchased options are non-income producing securities.

As of December 31, 2015, the Value Line Income and Growth Fund, Inc. had no open options contracts.

(L) Subsequent Events: Management has evaluated all subsequent transactions and events through the date on which these financial statements were issued and has determined that no additional items require adjustment to or disclosure in the financial statements.

2. Investment Risks

Securities issued by U.S. Government agencies or government-sponsored enterprises may not be guaranteed by the U.S. Treasury. The Government National Mortgage Association ("GNMA" or "Ginnie Mae"), a wholly-owned U.S. Government corporation, is authorized to guarantee, with the full faith and credit of the U.S. Government, the timely payment of principal and interest on securities issued by institutions approved by GNMA and backed by pools of mortgages insured by the Federal Housing Administration or guaranteed by the Department of Veterans Affairs. Government-related guarantors (i.e., not backed by the full faith and credit of the U.S. Government) include the Federal National Mortgage Association ("FNMA" or "Fannie Mae") and the Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"). Pass-through securities issued by FNMA are guaranteed as to timely payment of principal and interest by FNMA, but are not backed by the full faith and credit of the U.S. Government. FHLMC guarantees the timely payment of interest and ultimate collection of principal, but its participation certificates are not backed by the full faith and credit of the U.S. Government.

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Notes to Financial Statements (continued)

3. Purchases and Sales of Securities

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

| Fund | Purchases of Investment Securities | Sales of Investment Securities | Purchases of U.S. Government Agency Obligations | Sales of U.S. Government Agency Obligations |
|--|------------------------------------|--------------------------------|---|---|
| Value Line Premier Growth Fund, Inc. | \$ 42,535,970 | \$ 78,441,855 | \$ — | \$ — |
| Value Line Mid Cap Focused Fund, Inc. | 20,020,925 | 24,757,845 | — | — |
| Value Line Income and Growth Fund, Inc. | 158,512,662 | 179,397,451 | 6,241,552 | 4,174,426 |
| Value Line Larger Companies Focused Fund, Inc. | 84,966,778 | 94,880,410 | — | — |

4. Income Taxes

At December 31, 2015, information on the tax components of capital is as follows:

| Fund | Cost of investments for tax purposes | Gross tax unrealized appreciation | Gross tax unrealized depreciation | Net tax unrealized appreciation (depreciation) on investments | Undistributed ordinary income | Undistributed long-term gain |
|--|--------------------------------------|-----------------------------------|-----------------------------------|---|-------------------------------|------------------------------|
| Value Line Premier Growth Fund, Inc. | \$ 180,812,354 | \$ 161,374,713 | \$ (3,076,187) | \$ 158,298,526 | \$ — | \$ 3,728,875 |
| Value Line Mid Cap Focused Fund, Inc. | 88,110,099 | 33,626,180 | (2,444,497) | 31,181,683 | — | — |
| Value Line Income and Growth Fund, Inc. | 326,647,235 | 42,090,473 | (11,922,632) | 30,167,841 | — | 7,229,012 |
| Value Line Larger Companies Focused Fund, Inc. | 182,121,577 | 64,043,059 | (7,078,672) | 56,964,387 | — | 3,244,592 |

On December 22, 2010, the Regulated Investment Company Modernization Act of 2010 (the "Act") was signed by the President of the United States of America. Under the Act, net capital losses recognized by the Funds after December 31, 2010 may get carried forward indefinitely, and retain their character as short-term and/or long term losses. Prior to this Act, pre-enactment net capital losses incurred by the Funds were carried forward for eight years and treated as short-term losses. The Act requires under the transition that post-enactment net capital losses are used before pre-enactment net capital losses.

As of December 31, 2015, the following Funds had a realized capital loss carryforward, for federal income tax purposes, available to be used to offset future realized capital gains:

Fund

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| | Expiring December 31, 2017 |
|--|----------------------------------|
| Value Line Premier Growth Fund, Inc. | \$ — |
| Value Line Mid Cap Focused Fund, Inc. | 3,434,192 |
| Value Line Income and Growth Fund, Inc. | — |
| Value Line Larger Companies Focused Fund, Inc. | — |

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For the period ended December 31, 2015, the following Funds had late year ordinary loss deferrals:

| Fund | Amount |
|--|--------|
| Value Line Premier Growth Fund, Inc. | \$ — |
| Value Line Mid Cap Focused Fund, Inc. | 52 |
| Value Line Income and Growth Fund, Inc. | — |
| Value Line Larger Companies Focused Fund, Inc. | — |

During the year ended December 31, 2015, the following Funds utilized capital loss carryforwards:

| Fund | Amount |
|--|-----------|
| Value Line Premier Growth Fund, Inc. | \$ — |
| Value Line Mid Cap Focused Fund, Inc. | 3,932,025 |
| Value Line Income and Growth Fund, Inc. | — |
| Value Line Larger Companies Focused Fund, Inc. | — |

To the extent that current or future capital gains are offset by capital losses, the Funds do not anticipate distributing any such gains to shareholders.

It is uncertain whether the Funds will be able to realize the benefits of the losses before they expire.

Net realized gain/(loss) differs from financial statements and tax purposes primarily due to wash sales.

Permanent book-tax differences relating to the current year were reclassified within the composition of the net asset accounts.

A reclassification has been made on the Statements of Assets and Liabilities to increase/(decrease) undistributed net investment income, accumulated net realized gain, and additional paid-in capital for the Funds as follows:

| Fund | Undistributed Net Investment Income/(Loss) | Accumulated Net Realized Gains/(Losses) | Additional Paid-In Capital |
|--|---|--|----------------------------------|
| Value Line Premier Growth Fund, Inc. | \$ 944,365 | \$ (27,530) | \$ (916,835) |
| Value Line Mid Cap Focused Fund, Inc. | 653,364 | 724 | (654,088) |
| Value Line Income and Growth Fund, Inc. | (127,084) | 127,181 | (97) |
| Value Line Larger Companies Focused Fund, Inc. | 1,259,113 | (640,112) | (619,001) |

These reclassifications were primarily due to differing treatments of net operating loss, distribution reclassification, prior year adjustments due to investments in real estate investment trusts, foreign currency gains/(losses), partnerships and net operating losses. Net assets were not affected by these reclassifications.

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Notes to Financial Statements (continued)

The tax composition of distributions paid to shareholders during fiscal 2015 and 2014, were as follows:

| Fund | Year Ended December 31, 2015 | | |
|--|------------------------------|---------------------------|--------------------------------|
| | Distributions Paid from | | |
| | Ordinary Income | Long-Term Capital Gain | Total Distributions Paid |
| Value Line Premier Growth Fund, Inc. | \$ — | \$ 49,267,213 | \$ 49,267,213 |
| Value Line Mid Cap Focused Fund, Inc. | — | — | — |
| Value Line Income and Growth Fund, Inc. | 2,032,945 | 20,983,101 | 23,016,046 |
| Value Line Larger Companies Focused Fund, Inc. | — | 12,833,516 | 12,833,516 |
| Fund | Year Ended December 31, 2014 | | |
| | Distributions Paid from | | |
| | Ordinary Income | Long-Term Capital Gain | Total Distributions Paid |
| Value Line Premier Growth Fund, Inc. | \$ 570,817 | \$ 25,215,058 | \$ 25,785,875 |
| Value Line Mid Cap Focused Fund, Inc. | 53,892 | — | 53,892 |
| Value Line Income and Growth Fund, Inc. | 4,253,236 | 46,684,297 | 50,937,533 |
| Value Line Larger Companies Focused Fund, Inc. | 821,394 | 26,337,667 | 27,159,061 |

5.

Investment Advisory Fee, Service and Distribution Fees and Transactions With Affiliates

For the Value Line Premier Growth Fund, Inc. and Value Line Larger Companies Focused Fund, Inc. advisory fees were computed at an annual rate of 0.75% of the daily net assets during the year. For Value Line Mid Cap Focused Fund, Inc. and Value Line Income and Growth Fund, Inc. advisory fees were 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. The Funds' advisory fees are paid monthly. The Adviser provides research, investment programs, and 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 Funds. The Adviser also provides persons, satisfactory to the Funds' Board, to act as officers and employees of the Funds and pays their salaries.

For the year ended December 31, 2015, advisory fees were paid or payable in the amount of:

| Fund | Advisory Fees |
|--|------------------|
| Value Line Premier Growth Fund, Inc. | \$ 2,696,758 |
| Value Line Mid Cap Focused Fund, Inc. | 852,189 |
| Value Line Income and Growth Fund, Inc. | 2,512,926 |
| Value Line Larger Companies Focused Fund, Inc. | 1,718,905 |

The Funds have 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 Funds' shares and for servicing the Funds' shareholders at an annual rate of 0.25% of the Funds' average daily net assets attributable to Investor Class shares. Institutional Class shares do not pay Rule 12b-1 distribution and service fees, and are not subject to the Plan. Effective May 1, 2009, and voluntarily renewed annually through July 31, 2013, the Distributor contractually agreed to waive Value Line Mid Cap Growth Fund, Inc.'s 12b-1 fee by 0.25%; effective August 1, 2013, the Distributor discontinued to waive Value Line Mid Cap Growth Fund, Inc.'s 12b-1 fee.

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Effective March 1, 2009, and voluntarily renewed annually, the Distributor contractually agreed to reduce the fee for the Value Line Income and Growth Fund, Inc. by 0.05%; effective July 1, 2014, the Distributor discontinued to waive Value Line Income and Growth Fund, Inc.'s 12b-1 fee. Effective May 1, 2007, and voluntarily renewed annually through July 31, 2013, the Distributor contractually agreed to

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waive Value Line Larger Companies Focused Fund, Inc.'s 12b-1 fee by 0.25%; effective August 1, 2013 and voluntarily renewed annually, the Distributor contractually agreed to waive the Value Line Larger Companies Focused Fund, Inc.'s 12b-1 fee by 0.10%. The Distributor has no right to recoup previously waived amounts. For the year ended December 31, 2015, distribution and service fees were paid or payable in the amount of:

| Fund | Distribution & Service Fees | Waived Amount |
|--|-----------------------------------|------------------|
| Value Line Premier Growth Fund, Inc. | \$ 898,919 | \$ — |
| Value Line Mid Cap Focused Fund, Inc. | 308,534 | — |
| Value Line Income and Growth Fund, Inc. | 947,239 | — |
| Value Line Larger Companies Focused Fund, Inc. | 572,928 | 229,171 |

Effective July 5, 2012, the Funds have a Sub-Transfer Agent Plan (the "sub TA plan") which compensates financial intermediaries that provide sub-transfer agency and related services to investors that hold their Fund shares of such class in omnibus accounts maintained by the financial intermediaries with the Funds. The sub-transfer agency fee, which may be paid directly to the financial intermediary or indirectly via the Distributor, is equal to the lower of (i) the aggregate amount of additional transfer agency fees and expenses that the Funds would otherwise pay to the transfer agent if each subaccount in the omnibus account for such class of shares maintained by the financial intermediary with the Funds were a direct account with the Funds and (ii) the amount by which the fees charged by the financial intermediary for including the Funds on its platform and providing shareholder, sub-transfer agency and related services exceed the amount paid under the Funds' Plan with respect to each Fund's assets attributable to shares held by the financial intermediary in the omnibus account. In addition, the amount of sub-transfer agency fees payable by the Fund's to all financial intermediaries in the aggregate is subject to a maximum cap of 0.05% of each Fund's average daily net assets attributable to such class of shares. If the sub-transfer agency fee is paid to financial intermediaries indirectly via the Distributor, the Distributor does not retain any amount thereof and such fee otherwise reduces the amount that the Distributor is contractually obligated to pay to the financial intermediary.

For the year ended December 31, 2015, the Funds paid fees under the sub TA plan amounting to:

| Fund | Sub TA Fees |
|--|----------------|
| Value Line Premier Growth Fund, Inc. | \$ 77,418 |
| Value Line Mid Cap Focused Fund, Inc. | 6,375 |
| Value Line Income and Growth Fund, Inc. | 66,950 |
| Value Line Larger Companies Focused Fund, Inc. | 11,421 |

Each Fund bears direct expenses incurred specifically on its behalf while common expenses of the Value Line Funds are allocated proportionately based upon each Fund's respective net assets. The Funds bear all other costs and expenses.

Certain officers and a trustee of the Adviser are also officers and a director of the Funds. At December 31, 2015, the officers and directors of the Value Line Premier Growth Fund, Inc., Value Line Mid Cap Focused Fund, Inc., Value Line Income and Growth Fund, Inc. and Value Line Larger Companies Focused Fund, Inc., as a group owned less than 1% of the outstanding shares of each Fund.

6. New Accounting Pronouncements

In May 2015, the Financial Accounting Standards ("FASB") issued ASU 2015-07 entitled Fair Value Measurement (Topic 820) – Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent) which is intended to address the diversity in practice of how investments measured at the fair value with redemption dates in the future (including periodic redemption dates) are categorized within the fair value hierarchy. ASU 2015-07 is effective for interim and annual reporting periods in fiscal years that begin after December 15, 2015.

At this time, management is evaluating the implications of ASU 2015-07 and its impact to financial statements.

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Report of Independent Registered Public Accounting Firm

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Value Line Premier Growth Fund, Inc., Value Line Mid Cap Focused Fund, Inc., Value Line Income and Growth Fund, Inc. and Value Line Larger Companies Focused Fund, Inc.:

In our opinion, the accompanying statements of assets and liabilities, including the schedules of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Value Line Premier Growth Fund, Inc., Value Line Mid Cap Focused Fund, Inc. (formerly, The Value Line Fund, Inc.), Value Line Income and Growth Fund, Inc. and Value Line Larger Companies Focused Fund, Inc. (formerly, Value Line Larger Companies Fund, Inc.) (the “Funds”), at December 31, 2015, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period then ended and the financial highlights for the periods presented, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as “financial statements”) are the responsibility of the Funds’ management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2015 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

New York, New York

February 25, 2016

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Fund Expenses (unaudited)

Example

As a shareholder of the Funds, 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 each 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 (July 1, 2015 through December 31, 2015).

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 for each Fund 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 Funds' actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Funds' 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 July 1, 2015 | Ending Account Value December 31, 2015 | Expenses Paid During Period* | Annualized Expense Ratio |
|--|--|--|---------------------------------------|--------------------------------|
| Actual | | | | |
| Value Line Premier Growth Fund, Inc. – Investor Class | \$ 1,000.00 | \$ 979.90 | \$ 6.04 | 1.21% |
| Value Line Mid Cap Focused Fund, Inc. – Investor Class | 1,000.00 | 1,000.70 | 6.25 | 1.24 |
| Value Line Income and Growth Fund, Inc. – Investor Class | 1,000.00 | 967.10 | 5.75 | 1.16 |
| Value Line Income and Growth Fund, Inc. – Institutional Class | 1,000.00 | 980.30 | 10.24 | 6.19 |
| Value Line Larger Companies Focused Fund, Inc. – Investor Class | 1,000.00 | 992.70 | 5.73 | 1.14 |
| Value Line Larger Companies Focused Fund, Inc. – Institutional Class | 1,000.00 | 1,036.90 | 4.60 | 2.70 |
| Hypothetical (5% return before expenses) | | | | |
| Value Line Premier Growth Fund, Inc. – Investor Class | \$ 1,000.00 | \$ 1,019.11 | \$ 6.16 | 1.21% |

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| | | | | |
|--|----------|----------|-------|------|
| Value Line Mid Cap Focused Fund, Inc. – Investor Class | 1,000.00 | 1,018.95 | 6.31 | 1.24 |
| Value Line Income and Growth Fund, Inc. – Investor Class | 1,000.00 | 1,019.36 | 5.90 | 1.16 |
| Value Line Income and Growth Fund, Inc. – Institutional Class | 1,000.00 | 998.01 | 10.33 | 6.19 |
| Value Line Larger Companies Focused Fund, Inc. – Investor Class | 1,000.00 | 1,019.46 | 5.80 | 1.14 |
| Value Line Larger Companies Focused Fund, Inc. – Institutional Class | 1,000.00 | 1,003.84 | 4.52 | 2.70 |

*

Expenses are equal to the Funds' annualized expense ratio multiplied by the average account value over the period, multiplied by 184/365 (to reflect the Fund's most recent fiscal one-half year). This expense ratio may differ from the expense ratio shown in the financial highlights. The Institutional Class commenced operations on November 1, 2015. The Institutional Class expense ratio is multiplied by the average account value over the period, multiplied by 61/365 (to reflect the days since inception).

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Federal Tax Notice (unaudited)

Each Fund designates the following amounts distributed during the fiscal year ended December 31, 2015, if any, as capital gain dividends, dividends eligible for the corporate dividends received deduction and/or qualified dividend income:

| Fund | % of Qualifying Dividend Income | % of Dividends Eligible for the Corporate Dividends Received Deduction | Long-Term Capital Gains |
|--|--|---|----------------------------|
| Value Line Premier Growth Fund, Inc. | 0.00% | 0.00% | \$ 49,267,213 |
| Value Line Mid Cap Focused Fund, Inc. | 0.00% | 0.00% | — |
| Value Line Income and Growth Fund, Inc. | 100.00% | 100.00% | 20,983,101 |
| Value Line Larger Companies Focused Fund, Inc. | 0.00% | 0.00% | 12,833,516 |

The Funds file their 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 Funds’ Form N-Q is 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 Funds use to determine how to vote proxies relating to portfolio securities, and information regarding how the Funds voted these proxies for the 12-month period ended June 30 is available through the Funds’ 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.

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Management of the Funds

The business and affairs of each Fund are managed by the Fund's officers under the direction of its Board of Directors. The following table sets forth information on the Directors and officers of the Funds, each of which serves in that capacity for every Fund. Each Director serves as a director or trustee of each of the registered investment companies advised by the Adviser (the "Value Line Funds"). Each Director serves until his or her successor is elected and qualified.

| Name, Address, and Age | Position | Length of Time Served | Principal Occupations During the Past 5 Years | Number of Portfolios in Fund Complex Overseen by Director | Other Directorships Held by Director During the Past 5 Years |
|------------------------------------|----------|--------------------------------|---|--|--|
| Interested Director* | | | | | |
| Mitchell E. Appel Age: 45 | Director | Since 2010 | President of each of the Value Line Funds since June 2008; Chief Financial Officer of the Distributor since April 2008 and President since February 2009; President of the Adviser since February 2009, Trustee since December 2010 and Treasurer since January 2011. | 12 | Forethought Variable Insurance Trust (September 2013-present) |
| Non-Interested Directors | | | | | |
| Joyce E. Heinzerling Age: 59 | Director | Since 2008 | President, Meridian Fund Advisers LLC (consultants) since 2009. | 12 | None |
| James E. Hillman Age: 58 | Director | Since 2015 | Chief Financial Officer, Notre Dame School of Manhattan since 2011; Director and Principal Financial Officer, Merrill Lynch Global Wealth Management, (2006-2011). | 12 | Miller/Howard High Income Equity Fund (November 2014 to present) |
| Michael Kuritzkes Age: 55 | Director | Since 2015 | Consultant, Coronado Advisors LLC since June 2014; Executive Vice President and General Counsel, Harbinger Group Inc. (public holding company), (2013-2014); Executive Vice President and General Counsel, Philadelphia Media LLC, (2010-2013). | 12 | None |
| Francis C. Oakley Age: 84 | 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 America Council of Learned | 12 | None |

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| | | | | | |
|-------------------------------|--|------------|--|----|------|
| David H. Porter Age: 80 | Director (Chairman of the Board of the Value Line Funds since 2014) | Since 1997 | Societies; Trustee since 1997 and Chairman of the Board since 2005, National Humanities Center. Professor, Skidmore College (2008-2013); Visiting Professor of Classics, Williams College, (1999-2008); President Emeritus, Skidmore College since 1999 and President, (1987-1998). | 12 | None |
| Paul Craig Roberts Age: 76 | Director | Since 1983 | Chairman, Institute for Political Economy. | 12 | None |

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Management of the Funds (continued)

| Name, Address, and Age | Position | Length of Time Served | Principal Occupations During the Past 5 Years | Number of Portfolios in Fund Complex Overseen by Director | Other Directorships Held by Director During the Past 5 Years |
|---|---|--------------------------------|--|--|---|
| Nancy-Beth Sheerr Age: 66 Officers | Director | Since 1996 | Senior Financial Consultant, Veritable, L.P. (investment advisor) until December 2013. | 12 | None |
| Mitchell E. Appel Age: 45 | President | Since 2008 | President of each of the Value Line Funds since June 2008; Chief Financial Officer of the Distributor since April 2008 and President since February 2009; President of the Adviser since February 2009, Trustee since December 2010 and Treasurer since January 2011. | | |
| Michael J. Wagner Age: 65 | Chief Compliance Officer | Since 2009 | Chief Compliance Officer of each of the Value Line Funds since 2009; President of Northern Lights Compliance Services, LLC (formerly Fund Compliance Services, LLC) (2006-present). | | |
| Emily D. Washington Age: 37 | Treasurer and Chief Financial Officer; Secretary | Since 2009 | Treasurer and Chief Financial Officer (Principal Financial and Accounting Officer) of each of the Value Line Funds since 2008 and Secretary since 2010; Secretary of the Adviser since 2011. | | |

*

Mr. Appel is an “interested person” as defined in the 1940 Act by virtue of his position with EULAV Securities LLC (the “Distributor”) and the Adviser.

The address for each of the above is 7 Times Square, 21st Floor, New York, NY 10036-6524.

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The Value Line Family of Funds

In 1950, Value Line started its first mutual fund. Since then, knowledgeable investors have been relying on the Value Line Funds to help them build their financial futures. Over the years, Value Line Funds has evolved into what we are today – a diversified family of no-load mutual funds with a wide range of investment objectives – ranging from small, mid and large capitalization equities to fixed income. We also provide strategies that effectively combine both equities and fixed income, diligently taking into account the potential risk and reward of each investment.

*

Formerly known as The Value Line Fund, Inc.

**

Formerly known as Value Line Larger Companies Fund, Inc.

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Only available by purchasing certain variable annuity and variable insurance contracts issued by Guardian Insurance and Annuity Company, Inc.

Formerly known as Worthington Value Line Equity Advantage Fund

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. Read the prospectus carefully before you invest or send money.

Item 2. Code of Ethics

(a) The Registrant has adopted a Code of Ethics that applies to its principal executive officer, and principal financial officer and principal accounting officer.

(f) Pursuant to item 12(a), the Registrant is attaching as an exhibit a copy of its Code of Ethics that applies to its principal executive officer, and principal financial officer and principal accounting officer.

Item 3. Audit Committee Financial Expert.

((a)(1)The Registrant has an Audit Committee Financial Expert serving on its Audit Committee.

(2) The Registrant's Board has designated both James Hillman and Michael Kuritzkes, members of the Registrant's Audit Committee, as the Registrant's Audit Committee Financial Experts. Mr. Hillman and Mr. Kuritzkes are independent directors. Mr. Hillman currently serves as the Chief Financial Officer at Notre Dame School of Manhattan since 2011. Mr. Kuritzkes currently serves as a consultant at Caronado Advisors LLC since June 2014 and previously served as Executive Vice President and General Counsel at Harbinger Group, Inc. (2013 – 2014)

A person who is designated as an “audit committee financial expert” shall not make such person an "expert" for any purpose, including without limitation under Section 11 of the Securities Act of 1933 or under applicable fiduciary laws, as a result of being designated or identified as an audit committee financial expert. The designation or identification of a person as an audit committee financial expert does not impose on such person any duties, obligations, or liabilities that are greater than the duties, obligations, and liabilities imposed on such person as a member of the audit committee and Board of Trustees in the absence of such designation or identification.

Item 4. Principal Accountant Fees and Services

- | | |
|-----|--|
| (a) | Audit Fees 2015 - \$39,922 Audit Fees 2014 - \$8,149 |
| (b) | Audit-Related fees – None. |
| (c) | Tax Preparation Fees 2015 - \$11,487 Tax Preparation Fees 2014 - \$12,767 |
| (d) | All Other Fees – None |

Audit Committee Pre-Approval Policy. All services to be performed for the Registrant by (e)(1) PricewaterhouseCoopers LLP must be pre-approved by the audit committee. All services performed were pre-approved by the committee.

- | | |
|--------|--|
| (e)(2) | Not applicable. |
| (f) | Not applicable. |
| (g) | Aggregate Non-Audit Fees 2015 - None Aggregate Non-Audit Fees 2014 - None |
| (h) | Not applicable. |

Item 5. Audit Committee of Listed Registrants

Not Applicable.

Item 6. Investments

Not Applicable

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies

Not Applicable

Item 8. Portfolio Managers of Closed-End Management Investment Companies

Not Applicable

Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers

Not Applicable

Item 10. Submission of Matters to a Vote of Security Holders

Not Applicable

Item 11. Controls and Procedures

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 (a) 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.

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 (b) controls subsequent to the date of their evaluation, including corrective actions with regard to significant deficiencies and material weaknesses.

Item 12. Exhibits

- (a) Code of Business Conduct and Ethics for Principal Executive and Senior Financial Officers attached hereto as Exhibit 100.COE

- (b) (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.

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: March 10, 2016

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: March 10, 2016