VALUE LINE INC
Form 10-K/A
February 28, 2005

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDED FORM 10-K

x Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended April 30, 2004

or

o Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from________ to _______

Commission File Number 0-11306

VALUE LINE, INC.
(Exact name of registrant as specified in its charter)

New York	13-3139843
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)

220 East 42nd Street, New York, NY	10017-5891
(Address of principal executive offices)	(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

None

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, $.10 par value

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days.

Yes x No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. o

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes o No x

The aggregate market value of the registrant's voting and non-voting common stock held by non-affiliates at June 16, 2004, was $52,340,000. There were 9,981,600 shares of the registrant's Common Stock outstanding at June 16, 2004.

DOCUMENTS INCORPORATED BY REFERENCE

None

Part I

Item 1. BUSINESS.

Value Line, Inc. (the "Company"), a New York corporation, was organized in 1982 and is the successor to substantially all of the operations of Arnold Bernhard & Company, Inc. ("AB&Co."). As of June 16, 2004, AB & Co. owned approximately 86% of the Company's issued and outstanding common stock.

The Company's primary businesses are producing investment related periodical publications through its wholly-owned subsidiary, Value Line Publishing, Inc. ("VLP"), and providing investment advisory services to mutual funds, institutions and individual clients. VLP publishes in both print and electronic formats The Value Line Investment SurveyÔ, one of the nation's major periodical investment services, as well as The Value Line Investment Survey - Small and Mid-Cap Edition, The Value Line 600, Value Line Select, The Value Line Mutual Fund Survey, The Value Line No-Load Fund Advisor, Value Line Insight, The Value Line Special Situations Service, The Value Line Options Survey and The Value Line Convertibles Survey. VLP also provides current and historical financial databases (DataFile, Estimates & Projections, Convertibles, Mutual Funds and other services) in standard computer formats and markets investment analysis software, Value Line Investment Survey *for Windows*®, Mutual Fund Survey *for Windows*®**,** Value Line Daily Options Survey and Value Line Electronic Convertibles. These electronic products are available on CD-Rom and offered directly on the Company's internet site, www.valueline.com. The Company's print and electronic services are marketed through media, direct mail and the internet to retail and institutional investors.

The Company is the investment adviser for the Value Line Family of Mutual Funds, which on April 30, 2004, included 14 open-end investment companies with various investment objectives. In addition, the Company manages investments for private and institutional clients. The Company is registered with the Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940.

In addition to VLP, the Company's other wholly-owned subsidiaries include a registered broker-dealer, Value Line Securities, Inc., and an advertising agency, Vanderbilt Advertising Agency, Inc. These subsidiaries primarily provide services used by the Company in its investment management and publishing businesses. Compupower Corporation, another subsidiary, serves the subscription fulfillment needs of the Company's publishing operations. Value Line Distribution Center, Inc. ("VLDC") handles all of the mailings of the publications to the Company's subscribers. Additionally, VLDC provides office space for Compupower

Corporation’s computer operations center. The name "Value Line," as used to describe the Company, its products, and its subsidiaries, is a registered trademark of the Company. As used herein, except as the context otherwise requires, the term "Company" includes the Company and its consolidated subsidiaries.

A. Investment Information and Publications.

VLP publishes investment related publications and produces electronic products described below:

l. Publications:

The Value Line Investment Survey is a weekly investment related periodical that in addition to various timely articles on current economic, financial and investment matters ranks common stocks for future relative performance based on computer-generated statistics of financial results and stock market performance. A combined Index on our Web site allows the subscriber to easily locate a specific stock among the approximately 3,500 stocks covered in the Small and Mid-Cap Edition and in the standard edition of The Value Line Investment Survey. Two of the more important evaluations for each stock covered are "Timeliness(*tm*)" and "Safety(*tm*).” Timeliness(*tm*) relates to the probable relative price performance of one stock over the next six to twelve months, as compared to the rest of the approximately 1,700 covered stocks. Rankings are updated each week and range from Rank 1 for the expected best performing stocks to Rank 5 for the expected poorest performers. "Safety" Ranks are a measure of risk and are based primarily on the issuer's relative financial strength and its stock's price stability. "Safety" ranges from Rank 1 for the least risky stocks to Rank 5 for the riskiest. VLP employs approximately 104 analysts and statisticians who prepare articles of interest for each periodical and who evaluate stock performance and provide future earnings estimates and quarterly written evaluations with more frequent updates when relevant.

The Small and Mid-Cap Edition of The Value Line Investment Survey is a weekly publication introduced in 1995 that provides detailed descriptions of approximately 1,800 small- and medium-capitalization stocks, many listed on NASDAQ, beyond the 1,700 stocks of larger-capitalization companies traditionally covered in The Value Line Investment Survey - Standard Edition. Like The Value Line Investment Survey, the Small and Mid-Cap Edition has its own "Summary & Index" providing updated performance ranks and other data, as well as "screens" of key financial performance measures. The "Ratings and Reports" section, providing updated reports on about 140 stocks each week, has been organized to correspond closely to the industries reviewed in the Standard Edition of The Value Line Investment Survey. A combined Index, published semiannually, allows the subscriber to easily locate a specific stock among the approximately 3,500 stocks covered.

The Small and Mid-Cap Edition includes a number of unique as well as standard features. One unique feature, The Performance Ranking System, incorporates many of the elements of the Value Line Timeliness(*tm)* Ranking System, modified to accommodate the 1,800 stocks in the Small and Mid-Cap Edition. The Performance(*tm)* Rank is based on earnings growth and price momentum and is designed to predict relative price performance over the next six to 12 months.

The principal difference between the Small and Mid-Cap Edition and The Value Line Investment Survey's Standard Edition is that the Small and Mid-Cap Edition does not include Value Line's financial forecasts or analysts' comments. Nor does the Small & Mid-Cap Edition include a Selection & Opinion section. These modifications allow VLP to offer this service at a relatively low price.

The Value Line Mutual Fund Survey is published once every three weeks and was introduced in 1993. It provides full-page profiles of 700 mutual funds and condensed coverage of more than 1,250 funds. Every three weeks subscribers receive an updated issue, containing over 200 fund reports, plus a "Performance & Index" providing current rankings and performance figures for the full universe of more than 2,000 funds, as well as articles on investment trends and issues concerning mutual fund investors. The Value Line Mutual Fund Survey also includes annual profiles and analyses on 100 of the nation's major fund families. Funds are ranked for both risk and overall risk-adjusted performance using strictly quantitative means. A large binder is provided to house the fund reports.

The Value Line No-Load Fund Advisor is a 36-page monthly newsletter for investors who wish to manage their own portfolios of no- and low-load, open-end mutual funds. Each issue features strategies for maximizing total return, with special attention given to tax considerations. Also featured are in-depth interviews with noted portfolio managers, model portfolios for a range of investor profiles, and information about retirement planning, industry news, and listings (with descriptions) of new funds worthy of further consideration. A full statistical review, including latest performance, rankings and sector weightings, is updated each month on 600 leading no-load and low-load funds.

The Value Line Special Situations Service, published periodically 24 times a year, concentrates on fast-growing, smaller companies whose stocks are perceived by VLP analysts as having exceptional appreciation potential.

The Value Line Options Survey, a semi-monthly periodical service published 24 times a year, evaluates and ranks the expected performance of the most active options listed on United States exchanges (approximately 80,000). An electronic version of this publication, The Value Line Daily Options Survey (available over the Internet), was introduced during the latter part of fiscal 1995. A new enhanced version was introduced in May of 2002. New features include an interactive database and a new spreadsheet.

The Value Line Convertibles Survey, a semi-monthly periodical service published 24 times a year, evaluates and ranks approximately 600 convertible securities (bonds and preferred stocks) and approximately 80 warrants for future market performance. The same information is also available online.

Value Line Select, a monthly publication, was first published in January 1998. As a stock recommendation service with an exclusive circulation, it focuses each month on one company that VLP analysts, economists and statisticians recommend as an investment. Recommendations are backed by in-depth research and are subject to ongoing monitoring.

The Value Line 600 is a monthly service, which contains full-page reports on more than 600 stocks. Its reports provide information on many actively traded, larger capitalization issues as well as some smaller growth stocks. Since it was introduced in fiscal 1996, it has proven to be very popular among investors who want the same type of analysis provided in the full Investment Survey, but who don’t want or need coverage of the large number of companies contained in that publication. Readers also receive supplemental reports as well as a monthly Index, which includes updated statistics.

2. Electronic Products:

Value Line Investment Analyzer 3.9 on CD-ROM is a powerful menu-driven software program with fast filtering, ranking, reporting and graphing capabilities utilizing over 300 data fields for about 8,000 stocks, industries and indices, including the 1,700 stocks covered in VLP’s benchmark publication, The Value Line Investment Survey. The product was introduced in June 1996. The latest version has major enhancements to the user interface and the ability for users to update data from the Company’s Internet site (www.valueline.com). New features are added continuously.

Value Line Investment Analyzer 3.9 provides over 300 search fields and more than 100 charting and graphing variables for comparative research. In addition to containing digital replicas of the entire Value Line Investment Survey, the Windows version includes daily data updates through its seamless integration with the Value Line Web site (www.valueline.com). The software includes a portfolio module that lets users create and track their own stock portfolios and ten years of historical financial data for scrutinizing performance, risk and yield.

Value Line Mutual Fund Survey *for Windows*®**,** a monthly CD-ROM product with weekly internet updates, is the electronic version of the Value Line Mutual Fund Survey. The program features powerful sorting, filtering and portfolio analysis. Version 2 was introduced in 1998, with added features such as style attribution analysis, portfolio stress tester, portfolio rebalancing, correlation of fund returns and hypothetical assets to differentiate it from the competition.

Windows is a registered trademark of Microsoft Corp. Value Line, Inc. and Microsoft Corp. are not affiliated companies.

Value Line DataFile contains current and historic annual and quarterly financial records for about 8,000 active companies and over 5,000 companies that no longer exist in numerous industries, including air transport, industrial services, beverage, machinery, bank, insurance and finance, savings and loan associations, toys, and securities brokers. DataFile has over 400 annual and over 80 quarterly fields for each of the companies included in the database. DataFile is sold to the institutional market. Value Line DataFile II, which includes less historical data is also available. This version complies with Microsoft Access format for small businesses. During fiscal 1997, Value Line introduced the Value Line Mutual Fund DataFile. It covers over 15,000 mutual funds with up to 20 years of historical data which consists of almost 200 data fields. VLP also offers an Estimates and Projections File, with year-ahead and three- to five-year estimates of financial performance and projections of stock-price ranges on companies covered in the Value Line Investment Survey, as well as a Convertible Securities File and custom services.

The Total Return Service is a customized data service. It was developed to help publicly traded companies meet the SEC's mandated executive-compensation disclosure requirements. The service consists of a line graph comparing the total return of a public company's stock over the last five years to a published equity market index and a published or constructed industry index.

3. Value Line Internet:

Most Value Line products and services are available from the Company's Web site www.valueline.com. The site includes a multimedia section that features daily market reports and updates on stocks, options, mutual funds and convertibles as well as webcasting of daily analyst commentary and fast-breaking developments on companies in the news. In addition, the Company has added a host of new tools to chart and filter stocks and mutual funds along with tools to build a portfolio, customize a report and receive Value Line reports.

A new internet-only service, the Value Line Research Center, includes on-line access to the Company's leading publications covering stocks, mutual funds, options and convertible securities as well as special situation stocks. This service includes full subscriptions to The Value Line Investment Survey, The Value Line Mutual Fund Survey, The Value Line Daily Options Survey, The Value Line Investment Survey Small and Mid-Cap Edition, The Value Line Convertibles Survey, The Special Situations Service, Value Line ETF Survey, The Value Line No Load Fund Advisor, Value Line 600 and Value Line Select.

B. Investment Management.

As of April 30, 2004, the Company was the investment adviser for 14 mutual funds registered under the Investment Company Act of 1940. Value Line Securities, Inc., a wholly owned subsidiary of the Company, acts as principal underwriter and distributor for the Value Line Funds. State Street Bank and Trust Company, an unaffiliated entity, acts as custodian of the Funds' assets. Shareholder services for the Value Line Funds are provided by Boston Financial Data Services, an unaffiliated entity associated with State Street Bank and Trust Company.

Total net assets of the Value Line Funds at April 30, 2004, were:

		(in thousands)
The Value Line Fund, Inc.	$	198,674
Value Line Income and Growth Fund, Inc.		209,817
The Value Line Special Situations Fund, Inc.		320,743
Value Line Leveraged Growth Investors, Inc.		317,851
The Value Line Cash Fund, Inc.		301,373
Value Line U.S. Government Securities Fund, Inc.		126,019
Value Line Centurion Fund, Inc.		339,953
The Value Line Tax Exempt Fund, Inc.		141,787
Value Line Convertible Fund, Inc.		43,495
Value Line Aggressive Income Trust		61,966
Value Line New York Tax Exempt Trust		26,257
Value Line Strategic Asset Management Trust		778,119
Value Line Emerging Opportunities Fund, Inc.		260,647
Value Line Asset Allocation Fund, Inc.		144,682
	$	3,271,383

The investment advisory contracts between each of the Value Line Funds and the Company provide that the Company will render investment advisory and other services to the Funds. These contracts must be approved annually in accordance with statutory procedures. The Company furnishes each fund with its investment program, subject to such fund's fundamental investment policies and to control and review by such fund's Board of Directors or Trustees. Each contract also provides that the Company will furnish, at its expense, various administrative services, office space, equipment and administrative personnel necessary for managing the affairs of the funds. Advisory fee rates vary among the funds and may be subject to certain limitations. Each mutual fund may use "Value Line" in its name only so long as the Company acts as its investment adviser.

Value Line Asset Management ("VLAM"), a division of the Company, manages pension funds and institutional and individual portfolios by utilizing the techniques developed for The Value Line Investment Survey. VLAM has varied investment advisory agreements with its clients which call for payments to the Company calculated on the basis of the market value of the assets under management.

C. Wholly-Owned Operating Subsidiaries.

1. Vanderbilt Advertising Agency, Inc.:

Vanderbilt Advertising Agency, Inc. ("Vanderbilt") places advertising for the Company's publications, investment advisory services, and mutual funds. Commission income generated by Vanderbilt serves to reduce the Company's advertising expenses.

2. Compupower Corporation:

Compupower provides computerized subscription fulfillment services for the Company as well as subscriber relation's services for Company publications. Additionally, Compupower also provides microfiche and imaging services to the Company, its affiliates and third-party customers.

3. Value Line Securities, Inc.:

Value Line Securities, Inc. ("VLS") is registered as a broker-dealer under the Securities Exchange Act of 1934 and is a member of the National Association of Securities Dealers, Inc. VLS acts as the underwriter and distributor of the Value Line Funds. Shares of the Value Line Funds are sold to the public without a sales charge (i.e., on a "no-load" basis). VLS effects brokerage transactions in exchange-listed securities for certain of the Value Line Funds, clearing such transactions on a fully disclosed basis through unaffiliated broker-dealers who receive a portion of the gross commissions. The Company receives service and distribution fees, pursuant to SEC rule 12b-1, from certain Value Line Funds which are used to offset marketing and distribution costs for these funds.

4. Value Line Distribution Center, Inc.:

Value Line Distribution Center, Inc. ("VLDC") handles all of the mailings of the publications to the Company's subscribers. Additionally, VLDC provides office space for the Compupower Corporation's subscriber relations and data processing departments.

D. Other Businesses.

The Company publishes the Value Line Arithmetic Composite and the Value Line Geometric Composite, daily indices of the stock market performance of the approximately 1,700 common stocks contained in The Value Line Investment Survey. The calculation of both indices is done by a firm unaffiliated with the Company. Futures contracts based upon fluctuations in the Value Line Arithmetic Composite are traded on the Kansas City Board of Trade, and options on the Index are traded on the Philadelphia Stock Exchange. The Company receives fees in connection with these activities.

The Value Line Strategy Trust Series I: The Company has licensed for a fee certain trademarks and proprietary information for a series of unit investment trusts, ***The Value Line Strategy Trust Series I***. The fundamental strategy for this Trust and future Trusts in this series is to invest in the 100 Rank #1 stocks and maintain a static portfolio position in these 100 stocks for a fourteen-month period. At the end of the fourteen months the portfolio will be liquidated and the investors will be invited to reinvest their distribution in the next available ***Value Line Strategy Trust Series*** . These unit investment trusts are sold by an extensive network of brokerage firms and provide publicity for the ranking system within the brokerage industry. As of April 30, 2004, total assets of approximately $25,000,000 had been invested in these Trusts.

Value Line Target 25 Portfolio: The fundamental strategy for this Trust and future Trusts in this series is to invest in a selected 25 stocks of the 100 Rank #1 stocks and maintain a static portfolio position in these 25 stocks for a thirteen-month period. At the end of the thirteen months the portfolio is liquidated and the investors are invited to reinvest their distribution in the next available ***Value Line Target 25 Portfolio***. First Trust Portfolios, the underwriter of this UIT, has indicated that it intends to introduce a new UIT series every month. These unit investment trusts are sold by an extensive network of brokerage firms and provide a unique exposure for the ranking system within the brokerage industry. As of April 30, 2004, aggregate assets of over $321,000,000 had been invested in these Trusts.

The Target VIP Portfolios: These are UIT products sponsored by First Trust Portfolios which use as a component of their portfolio strategy the Value Line Target 25 strategy. As of April 30, 2004, $142,000,000 was invested in these trusts.

Closed-end Fund Product Offerings

Three Established Products

I. First Trust Value Line 100 Closed-end Trust - Portfolio Based On Value Line Timeliness 100 Rank #1 Strategy

This closed-end fund, sponsored by First Trust Portfolios-(formerly known as Nike Securities) -, was completed on June 12, 2003. The Fund's objective is to provide capital appreciation. It seeks to outperform the S&P 500 Index by adhering to a disciplined strategy of investing in a diversified portfolio of the 100 common stocks Ranked #1 in Value Line's Timeliness Ranking System. The Fund is listed on the American Stock Exchange, a dominant trading arena for closed-end funds, and is trading with the symbol FVL.

Total assets currently attributable to this closed-end fund product are approximately $305 million as of April 30, 2004.

II. First Trust Value Line Dividend Closed-end Trust - Portfolio Based On Large-cap Stocks Selected as Rank #1 and #2 by Value Line's Safety Rank Strategy

This closed-end fund, sponsored by First Trust Portfolios was completed on August 26, 2003 and raised total assets of $465 million. The Fund's investment objective is to provide total return through a combination of current income and capital appreciation. The Fund seeks to accomplish its investment objective by investing in common stocks with minimum market cap of $1 billion that pay above average dividends and have the potential for capital appreciation. The Fund is listed on the American Stock Exchange, a dominant trading arena for closed-end funds, and is trading with the symbol FVD.

Total assets currently attributable to this closed-end fund product are approximately $422 million as of April 30, 2004.

III. First Trust Value Line & Ibbotson Equity Allocation Fund

This closed-end fund, sponsored by First Trust Portfolios, was completed during the month of April 2004, as a closed-end management investment company. The Allocation Fund will own a subset of the #1 and #2 ranked stocks per the Value Line TimelinessÔ, SafetyÔ, and TechnicalÔ Ranking Systems. The Trust closed April 27, 2004 and raised $120 million. The Fund is listed on the American Stock Exchange, and is trading with the symbol FVD.

Total assets currently attributable to this closed-end fund product are approximately $124 million as of April 30, 2004.

Total assets currently attributable to all three closed-end fund products are approximately $851 million.

E. Investments.

From time to time, the Company invests in the Value Line Funds, long term fixed income government obligations and in other marketable securities.

F. Employees.

At April 30, 2004, the Company and its subsidiaries employed 249 people.

The Company, its affiliates, officers, directors and employees may from time to time own securities which are also held in the portfolios of the Value Line Funds or recommended in the Company's publications. Analysts covering stocks may not own stocks they cover. The Company has imposed rules upon itself requiring monthly reports of securities transactions by employees for their respective accounts and restricting trading in various types of securities in order to avoid possible conflicts of interest.

G. Assets.

The Company's assets identifiable to each of its principal business segments were as follows:

	April 30, 2004 (in thousands)	April 30, 2003 (in thousands)
Investment Periodicals & Related Publications	$ 14,592	$ 18,648
Investment Management	74,786	227,786
Corporate Assets(1)	177,546	380
	$ 266,924	$ 246,814

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(1) Corporate Assets have increased by $177,173,000 at April 30, 2004 in preparation for payment in May 2004 of the Company's ordinary dividend of $.25 per share and a special dividend declared by the Board of Directors during April 2004 of $17.50 per share.

H. Competition.

The investment management and the investment information and publications industries are very competitive. There are many competing firms and a wide variety of product offerings. Some of the firms in these industries are substantially larger and have greater financial resources than the Company. The Company believes that it is one of the world's largest independent securities research organizations and that it publishes one of the world's largest investment periodicals service in terms of number of subscriptions, annual revenues and number of equity research analysts.

I. Executive Officers.

The following table lists the names, ages (at June 16, 2004), and principal occupations and employment during the past five years of the Company's Executive Officers. All officers are elected to terms of office for one year. Each of the following has held an executive position with the companies indicated for at least five years.

Name	Age	Principal Occupation or Employment
Jean Bernhard Buttner	69	Chairman of the Board, President and Chief Executive Officer of the Company and AB&Co. Chairman of the Board and President of each of the Value Line Funds.
Samuel Eisenstadt	81	Senior Vice President and Research Chairman.
David T. Henigson	46	Vice President and Treasurer; Director of Compliance and Internal Audit; Vice President, Secretary, Treasurer and Chief Compliance Officer of each of the Value Line Funds; Vice President of AB&Co.
Howard A. Brecher	50	Vice President and Secretary; Vice President, Secretary, Treasurer and General Counsel of AB&Co.
Stephen R. Anastasio	45	Chief Financial Officer; Corporate Controller.

WEB SITE ACCESS TO SEC REPORTS

The Company's Web site address is www.valueline.com. The Company's annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to these reports are available free of charge on the Financial Info page of the Company's Web site as soon as reasonably practicable after the reports are filed electronically with the Securities and Exchange Commission.

Item 2. PROPERTIES.

On June 4, 1993, the Company entered into a lease agreement for approximately 77,000 square feet that provided for the relocation of its office space to 220 East 42nd Street, New York, New York. On September 14, 2000, the Company amended its New York lease for office space and returned to the landlord 6,049 sq. ft. of excess capacity. The Company now leases approximately 71,000 square feet of office space at 220 East 42nd Street in New York. During January 1996, a subsidiary of the Company purchased for cash an approximately 85,000 square feet warehouse facility for $4,100,000. That facility consolidated into a single location the distribution operations for the various Company publications and the fulfillment operations of Compupower Corporation. The remaining building capacity provides warehouse space, a disaster recovery site and is available for future business expansion. The Company believes the capacity of these facilities is sufficient to meet the Company's current and expected future requirements.

Item 3. LEGAL PROCEEDINGS.

There are no material pending legal proceedings.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

No matters were submitted to a vote of the stockholders during the fourth quarter of the fiscal year ended April 30, 2004.

Part II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

The Registrant's Common Stock is traded on the over-the-counter market. The approximate number of record holders of the Registrant's Common Stock at April 30, 2004 was 63. Over-the-counter price quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not necessarily represent actual transactions. The range of the bid and asked quotations and the dividends paid on these shares during the past two fiscal years were as follows:

	High		Low		Dividend Declared
Quarter Ended	Bid	Asked	Bid	Asked	Per Share
July 31, 2002	$ 48.7600	$ 49.2500	$ 37.8600	$ 38.8990	$ .25
October 31, 2002	44.6900	46.9800	37.5000	38.7000	.25
January 31, 2003	45.9600	46.9600	37.4400	38.0000	.25
April 30, 2003	$ 48.3500	$ 49.0100	$ 44.7000	$ 44.9600	$ .25

July 31, 2003	$ 54.7900	$ 55.7700	$ 45.6600	$ 46.0000	$ .25
October 31, 2003	50.1600	51.5000	47.6900	48.1000	.25
January 31, 2004	50.8100	50.9900	48.1000	49.0000	.25
April 30, 2004	$ 66.5200	$ 74.2000	$ 48.1000	$ 48.6000	$ 17.75

Item 5(c). PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS.

ISSUER PURCHASES OF EQUITY SECURITIES

Period	**(a) Total Number of Shares (or Units) Purchased**	**(b) Average Price Paid Per Share (or Unit)**	**(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs**	**(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs**
February 1, 2004 through February 29, 2004	--	--	--	--
March 1, 2004 through March 31, 2004	229	$ 50.882	618,432	Not determined.
April 1, 2004 through April 30, 2004	--	--	--	--
Total	229	$ 50.882	618,432	--

All purchases were made by Arnold Bernhard & Co., Inc., an affiliate of the issuer, pursuant to public announcements issued on December 24, 1997, November 24, 1999 and periodically thereafter.

Item 6. SELECTED FINANCIAL DATA.

Earnings per share for each of the fiscal years shown below are based on the weighted average number of shares outstanding.

	Years ended April 30,				
	2004	2003	2002	2001	2000
	(in thousands, except per share amounts)				
Revenues:					
Investment periodicals and related publications	$ 52,497	$ 52,469	$ 53,114	$ 56,042	$ 58,857
Investment management fees and services	$ 32,206	$ 29,600	$ 34,329	$ 42,349	$ 37,385
Total revenues	$ 84,703	$ 82,069	$ 87,443	$ 98,391	$ 96,242
Income from operations	$ 24,739	$ 24,095	$ 29,186	$ 37,811	$ 36,428
Net income	$ 20,350	$ 19,987	$ 20,323	$ 24,091	$ 33,698
Earnings per share, basic and fully diluted	$ 2.04	$ 2.00	$ 2.04	$ 2.41	$ 3.38
Total assets	$ 266,924	$ 246,814	$ 268,735	$ 270,992	$ 298,198
Cash dividends declared per share	$ 18.50	$ 1.00	$ 1.00	$ 1.00	$ 1.00

Item 7. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

FISCAL 2004

Operating Results

Net income for the twelve months ended April 30, 2004 of $20,350,000 or $2.04 per share was 2% above income of $19,987,000 or $2.00 per share for the same period in fiscal 2003. Operating income of $24,739,000 for the twelve months ended April 30, 2004 was 3% above operating income of $24,095,000 for the same period of the last fiscal year. Operating income of $7,300,000 for the three months ended April 30, 2004 was 7% higher than operating income of $6,843,000 for the comparable period of the last fiscal year. Income from securities transactions for the twelve months of fiscal 2004 was 25% above income for the same period of fiscal 2003. Revenues of $84,703,000 for the twelve months ended April 30, 2004 were 3% higher than revenues of $82,069,000 in the prior fiscal year. Revenues of $21,876,000 for the fourth quarter of fiscal 2004 were 9% above revenues of $20,025,000 for the three months ended April 30, 2003.

During fiscal 2004, the Company's stock outperformed the major market indices. Value Line, Inc.'s. stock was up 34% for the twelve months ended April 30, 2004. In April 2004, the Board of Directors of the Company declared a distribution from its Retained Earnings in the form of a special dividend of $17.50 per share or $174,678,000 to all shareholders of record as of May 7, 2004. The purpose of the dividend was to return to all shareholders, in the form of cash, a significant portion of the earnings of the Company from its successful operations over the past number of years, at a time when shareholders can enjoy the present favorable tax rates on dividends. Despite this significant distribution, Value Line remains exceptionally strong financially with $35,298,000 of Shareholders' Equity as of April 30, 2004 after declaration of the special dividend.

Subscription revenues of $52,497,000 for the twelve months ended April 30, 2004 were approximately equal to those for the same period of the prior fiscal year. Although total revenues from all print products for the twelve months ended April 30, 2004 were down 4% since the last fiscal year, revenues from all electronic publications were up over 12% in fiscal 2004. Subscription revenues of $13,728,000 for the fourth quarter of fiscal 2004 were 7% above revenues of $12,874,000 for the three months ended April 30, 2003. While total revenues from all print products for the three months ended April 30, 2004 were level with the revenues for the fourth quarter of fiscal 2003, revenues from all electronic publications were 11% above revenues for the comparable quarter of the last fiscal year. Investment management fees and services revenues of $32,206,000 for the twelve months ended April 30, 2004 were 9% above the prior fiscal year's revenues of $29,600,000. Investment management fees and services revenues of $8,148,000 for the three months ended April 30, 2004 were 14% above the revenues of $7,151,000 recorded in the fourth quarter of fiscal 2003.

Operating expenses for the twelve months ended April 30, 2004 of $59,964,000 were 3% above the last year's expenses of $57,974,000. Total advertising and promotional expenses of $21,821,000 were 7% above the prior year's expenses of $20,418,000 primarily due to additional costs associated with marketing two of the Company's equity mutual funds, increases in media advertising, higher fund supermarket fees related to sales of the Value Line mutual funds shares, and increased postage rates for direct mail. Successful direct mail campaigns resulted in an increase in subscription activity since April 2003 with total new full term subscription orders rising 11% from the level during the twelve months of the prior fiscal year. Salaries and employee benefit expenses of $20,764,000 were 4% above expenses of $19,938,000 recorded in the prior fiscal year. Production and distribution costs for the twelve months ended April 30, 2004 of $8,733,000 were 7% below expenses of $9,400,000 for the twelve months ended April 30, 2003. The decline in expenses was primarily due to lower paper, printing and distribution costs that resulted from a migration in circulation from print to electronic versions of our products and management's decision to discontinue issuing print copies of the Reference Library to trial subscribers of *The Value Line Investment Survey* and *The VLIS Small and Mid-Cap Stock Edition*. Office and administrative expenses of $8,646,000 were 5% above the last year's expenses of $8,218,000. The net increase in administrative expenses was primarily due to higher rent expenses resulting from scheduled lease increases, higher bank collection fees associated with an increase in the Company's publishing credit card business, and increases in professional fees.

The Company's securities portfolios produced a gain of $8,266,000 for the twelve months ended April 30, 2004 versus a gain of $6,626,000 for the same period of the last fiscal year. The Company's trading portfolio produced a gain of $3,008,000 during the twelve months ended April 30, 2004 versus losses of $940,000 during the same period of the last fiscal year. Income from securities transactions for the twelve months ended April 30, 2004 also included dividend and interest income of $4,259,000 and capital gains of $1,087,000 from sales of securities from the Company's long-term portfolio of equity and fixed income securities. This compares to dividend and interest income of $4,361,000 and capital gains of $3,211,000 from sales of securities from the Company's long-term portfolio for the same period of the last fiscal year.

Liquidity and Capital Resources

The Company had liquid resources, which were used in its business, of $73,790,000 at April 30, 2004. In addition to $27,433,000 of working capital, which has been reduced by the declaration of a $17.50 special dividend to all shareholders of record on May 7, 2004, the Company has long-term securities with a market value of $46,357,000, that, although classified as non-current assets, are also readily marketable should the need arise.

The Company's cash flow from operations of $21,628,000 for the twelve months ended April 30, 2004 was 29% higher than fiscal 2003's cash flow of $16,816,000. The rise in cash flow from operations was primarily due to a 11% increase in total new full term subscription orders, an increase of 9% in the Company's investment management business, and containment of expenses. Net cash inflows of $156,245,000 from investing activities during the twelve months of fiscal 2004 resulted primarily from sales of fixed income securities in preparation for payment on May 19, 2004 of a special dividend in the amount of $174,678,000. The cash inflows from investing activities were partially offset by additional investments in the Company's short-term equity trading portfolio. Net cash outflows of $114,066,000 for investing activities for the twelve months of fiscal 2003 were due largely to the Company's decision last fiscal year to re-deploy its cash and equity holdings into Government debt obligations with higher effective yields.

From time to time, the Company's Parent has purchased additional shares of Value Line, Inc. in the market when and as the Parent has determined it to be appropriate. As stated several times in the past, the public is reminded that the Parent may make additional purchases from time to time in the future.

Management believes that the Company's cash and other liquid asset resources used in its business together with the future cash flows from operations will be sufficient to finance current and forecasted operations. Management anticipates no borrowing for fiscal year 2005.

FISCAL 2003

Operating Results

Net income for the twelve months ended April 30, 2003 of $19,987,000 or $2.00 per share compared to net income of $20,323,000 or $2.04 per share in fiscal 2002. Net income of $6,792,000 or $.68 per share for the last quarter of fiscal 2003 exceeded net income of $4,591,000 or $0.47 per share for the fourth quarter of the prior fiscal year by 48% due primarily to a lower income tax rate and an increase in income from securities transactions. The lower income tax rate was the result of a favorable tax determination from a local tax jurisdiction regarding the Company's income allocation method. Operating income of $24,095,000 for the twelve months ended April 30, 2003 was below operating income of $29,186,000 for the same period of last fiscal year. Revenues of $82,069,000 for the twelve months ended April 30, 2003 were the seventh highest in the Company's history and compared to revenues of $87,443,000 in the prior year. The decline in revenues and net income during the twelve months ended April 30, 2003 was largely the result of a 14% decline in investment management fees and services revenues that resulted primarily from a decrease in average net asset values in the Value Line mutual funds. The change in net asset values in Value Line's mutual funds was largely attributable to the overall decline in the financial markets with the NASDAQ index falling 13% during the twelve months ended April 30, 2003, representing a 71% decline from its all time high.

During fiscal 2003, the Company's stock outperformed the major market indices. Value Line, Inc's. stock was up 2.4% for the twelve months ended April 30, 2003, while during this same period, the NASDAQ index fell 13%.

Subscription revenues of $52,469,000 were 1% below revenues for the same period of the prior fiscal year. The decrease in subscription revenues compared to the prior year's was primarily a result of the 2% decline in revenues from *The Value Line Investment Survey* and related products, which included *Value Line Investment Survey for Windows, The Value Line Research Center, The Value Line 600, The VLIS Small and Mid-Cap Stock Edition, and Value Line Select*. Investment management fees and services revenues of $29,600,000 for the twelve months ended April 30, 2003 were 14% below the prior fiscal year's revenues of $34,329,000. The change in total revenues was primarily attributable to the continued difficult financial market conditions impacting severely on investment management fees and services revenues, with stable subscription revenue moderating the overall effect.

Operating expenses for the twelve months ended April 30, 2003 of $57,974,000 were comparable to last year's expenses of $58,257,000. Total advertising and promotional expenses of $20,418,000 were 2% above the prior year's expenses of $19,928,000. The increase in advertising expenses resulted primarily from a 9% increase in postage rates associated with the Company's direct mail advertising for the Company's publications and the Value Line's mutual funds and an increase in discount brokerage commissions incurred for sales of Value Line's mutual funds' shares. Salaries and employee benefit expenses of $19,938,000 were 9% below expenses of $21,801,000 recorded in the prior fiscal year. Production and distribution costs for the twelve months ended April 30, 2003 of $9,400,000 were 6% above expenses of $8,831,000 for the twelve months ended April 30, 2002. The increase in production and distribution expenses resulted from an increase in the average subscription circulation and the aforementioned increase in U.S. postal rates. Additionally, expenses associated with outsourcing a portion of the Company's stock and mutual fund data collection services and amortization of previously deferred costs for the development of computer software for internal use contributed to the higher production expenses. Office and administrative expenses of $8,218,000 were 7% above last year's expenses of $7,697,000. The net increase in administrative expenses compared to last year's resulted primarily from higher insurance premiums and increases in professional fees.

The Company's securities portfolios produced a gain of $6,626,000 for the twelve months ended April 30, 2003, which was 14% above the gain of $5,828,000 for the same period of last fiscal year. The Company's trading portfolio produced losses of $940,000 during the twelve months ended April 30, 2003 versus losses of $5,625,000 during the same period of last fiscal year. The value of the Company's securities portfolios has been negatively impacted by the declining financial market with the NASDAQ down 13% during the twelve months ended April 30, 2003. Income from securities transactions for the twelve months ended April 30, 2003 also included dividend and interest income of $4,361,000 and capital gains of $3,211,000 from sales of securities from the Company's long-term portfolio. This compares to dividend and interest income of $2,829,000 and capital gains of $8,633,000 from sales of securities from the Company's long-term portfolio for the same period of last fiscal year.

Liquidity and Capital Resources

The Company had liquid resources, which were used in its business, of $228,471,000 at April 30, 2003. In addition to $12,408,000 of working capital, the Company had long-term securities with a market value of $216,063,000, that, although classified as non-current assets, are also readily marketable should the need arise.

The Company's cash flow from operations of $16,816,000 for the twelve months ended April 30, 2003 was 17% lower than fiscal 2002's cash flow of $20,145,000. The decrease in cash flow from operations was primarily a result of lower pretax earnings and a decrease in unserved paid subscription orders. Net cash outflows of $114,066,000 from investing activities during the twelve months of fiscal 2003 were $134,841,000 higher than net cash inflows for the twelve months of fiscal 2002 due largely to the Company's decision to re-deploy its cash holdings into Government debt obligations with higher effective yields.

From time to time, the Company's Parent has purchased additional shares of Value Line, Inc. in the market when, and as the Parent has determined it to be appropriate. The Company understands that the Parent may make additional purchases from time to time in the future.

Management believes that the Company's cash and other liquid asset resources used in its business together with the future cash flows from operations will be sufficient to finance current and forecasted operations. Management anticipates no borrowing for fiscal year 2004.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Market Risk Disclosures

Value Line, Inc.'s Consolidated Balance Sheet includes a substantial amount of assets and liabilities whose fair values are subject to market risks. Value Line's significant market risks are primarily associated with interest rates and equity prices. The following sections address the significant market risks associated with Value Line's business activities.

Interest Rate Risk

Value Line's management prefers to invest in highly liquid, U.S. government debt securities with extremely low credit risk. Although the principal is secure, the price of these debt instruments is interest rate sensitive. Value Line's strategy is to acquire securities that are attractively priced in relation to the perceived credit risk. Management recognizes and accepts that losses may occur. To limit the price fluctuation in these securities from interest rate changes, Value Line's management invests in relatively short-term obligations maturing in 1 to 5 years.

The fair values of Value Line's fixed maturity investments will fluctuate in response to changes in market interest rates. Increases and decreases in prevailing interest rates generally translate into decreases and increases in fair values of those instruments. Additionally, fair values of interest rate sensitive instruments may be affected by prepayment options, relative values of alternative investments, and other general market conditions.

The following table summarizes the estimated effects of hypothetical increases and decreases in interest rates on assets that are subject to interest rate risk. It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risks. The hypothetical changes in market interest rates do not reflect what could be deemed best or worst case scenarios. Variations in market interest rates could produce significant changes in the timing of repayments due to prepayment options available. For these reasons, actual results might differ from those reflected in the table. Dollars are in thousands.

		Estimated Fair Value after Hypothetical Change in Interest Rates (bp = basis points)			
Fixed Income Securities	Fair Value	100bp decrease	100bp increase	200bp increase	300bp increase
As of April 30, 2004					
Investments in securities with fixed maturities	$ 1	$ 1	$ 1	$ 1	$ 1
As of April 30, 2003					
Investments in securities with fixed maturities	$ 170,913	$ 181,299	$ 161,900	$ 153,116	$ 144,739

During the last quarter of fiscal year 2004, the Company sold virtually all of its long-term holdings of fixed maturity investments and transferred the proceeds to cash in preparation for payment of a special $17.50 per share dividend, declared on April 23, 2004. The sale greatly reduced the Company's exposure to risks associated with interest rate changes. Management regularly monitors the maturity structure of the Company's investments in fixed maturity U.S. government debt obligations in order to maintain an acceptable price risk associated with changes in interest rates.

Equity Price Risk

The carrying values of investments subject to equity price risks are based on quoted market prices or management's estimates of fair value as of the balance sheet dates. Market prices are subject to fluctuation and, consequently, the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amounts realized in the sale of a particular security may be affected by the relative quantity of the security being sold.

Value Line invests a significant level of its assets in equity securities, primarily the Value Line family of equity mutual funds. Each mutual fund invests in a variety of equity positions of various companies thereby diversifying Value Line's risk. The Company's objectives include maintenance of a greater weighting in large and mid capitalization companies in its equity portfolio to minimize price risk. Value Line has also utilized derivative financial instruments in the past to minimize market price risk, although no such derivative financial instruments were utilized during fiscal 2004 and 2003.

The table below summarizes Value Line's equity price risks as of April 30, 2004 and 2003 and shows the effects of a hypothetical 30% increase and a 30% decrease in market prices as of those dates. The selected hypothetical change does not reflect what could be considered the best or worst case scenarios. Dollars are in thousands.

Equity Securities	Fair Value	Hypothetical Price Change	Estimated Fair Value after Hypothetical Change in Prices	Hypothetical Percentage Increase (Decrease) in Shareholders' Equity
As of April 30, 2004	$ 46,353	30% increase	$ 60,259	39.4%
		30% decrease	32,447	(39.4)%
As of April 30, 2003	$ 45,150	30% increase	$ 58,695	4.4%
		30% decrease	31,605	(4.4)%

Although the risk associated with equity price changes does not significantly change the value of the Company's equity securities holdings at fiscal year end April 30, 2004 as compared to April 30, 2003, the percentage increase/decrease in shareholder's equity has more dramatically changed as a result of the lower shareholder equity balance that resulted from the declaration of the special $17.50 special dividend during the quarter ended April 30, 2004.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The following consolidated financial statements of the registrant and its subsidiaries are included as a part of this Form 10K:

Quarterly Results (Unaudited):
(in thousands, except per share amounts)

	Total Revenues	Income From Operations	Net Income	Earnings Per Share
2004, by Quarter -				
First	$ 20,918	$ 5,572	$ 4,998	$ 0.50
Second	20,566	5,827	5,525	0.55
Third	21,343	6,040	4,904	0.49
Fourth	21,876	7,300	4,923	0.50
Total	$ 84,703	$ 24,739	$ 20,350	$ 2.04
2003, by Quarter -				
First	$ 20,505	$ 4,975	$ 3,000	$ 0.30
Second	20,386	6,379	4,524	0.45
Third	21,153	5,898	5,671	0.57
Fourth	20,025	6,843	6,792	0.68
Total	$ 82,069	$ 24,095	$ 19,987	$ 2.00
2002, by Quarter -				
First	$ 22,840	$ 7,287	$ 4,599	$ 0.46
Second	21,777	7,290	5,515	0.55
Third	21,620	6,315	5,618	0.56
Fourth	21,206	8,294	4,591	0.47
Total	$ 87,443	$ 29,186	$ 20,323	$ 2.04

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

There have been no disagreements with the independent accountants on accounting and financial disclosure matters.

Item 9A. CONTROLS AND PROCEDURES.

(a) Evaluation of controls and procedures.

The Company's Chief Executive Officer and Chief Financial Officer have reviewed and evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in the Exchange Act) within the past ninety days. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that the Company's current disclosure controls and procedures are effective in providing them on a timely basis with material information relating to the Company required to be disclosed in the reports the Company files or submits under the Exchange Act.

(b) Changes in internal controls.

There have not been any significant changes in the Company's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation. There were no significant deficiencies or material weaknesses and, therefore, no corrective actions were taken.

Part III

Item 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

(a) Names of Directors, Age as of June 16, 2004 and Principal Occupation	Director Since
Jean Bernhard Buttner* (69). Chairman of the Board, President, and Chief Executive Officer of the Company and Arnold Bernhard & Co., Inc. Chairman of the Board and President of each of the Value Line Funds.	1982
Harold Bernard, Jr. (73). Attorney-at-law. Retired Administrative Law Judge, National Labor Relations Board. Director of Arnold Bernhard & Co., Inc. Judge Bernard is a cousin of Jean Bernhard Buttner.	1982
Samuel Eisenstadt (81). Senior Vice President and Research Chairman of the Company.	1982
Herbert Pardes, MD (70). President and CEO of New York- Presbyterian Hospital.	2000
Marion Ruth (69). Real Estate Executive. President, Ruth Realty (real estate broker). Director or Trustee of each of the Value Line Funds.	2000
Howard A. Brecher* (50). Vice President of the Company since 1996 and Secretary since 1992; Secretary, Treasurer and General Counsel of Arnold Bernhard & Co., Inc. since 1991, Director since 1992 and Vice President since 1994.	1992
David T. Henigson* (46). Vice President of the Company since 1992 and Treasurer since 1994; Director of Compliance and Internal Audit of the Company since 1988; Vice President of each of the Value Line Funds since 1992 and Secretary and Treasurer since 1994; Vice President and Director of Arnold Bernhard & Co., Inc. since 1992.	1992
Edgar A. Buttner (41). Postdoctoral Fellow, Harvard University since 2003; Research Associate, McLean Hospital, 2002-2003; Postdoctoral Fellow, Massachusetts Institute of Technology, 1997-2001; Director of Arnold Bernhard & Co., Inc. Dr. Buttner is the son of Jean Bernhard Buttner.	2003
Marianne Asher (38). Private investor, graduate somatic counselor; Director of Arnold Bernhard & Co., Inc. Mrs. Asher is a daughter of Jean Bernhard Buttner.	2004

* Member of the Executive Committee

(b) The information pertaining to Executive Officers is set forth in Part I under the caption "Executive Officers of the Registrant."

Audit Committee

The Company has a standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, the members of which are: Harold Bernard, Jr., Dr. Herbert Pardes and Marion N. Ruth.

Audit Committee Financial Expert

The Board of Directors has determined that no member of the Audit Committee is an “audit committee financial expert” (as defined in the rules and regulations of the Securities and Exchange Commission). The current members of the Audit Committee have served on the Audit Committee for a minimum of four years and the Board of Directors believes that the experience and financial sophistication of the members of the Audit Committee are sufficient to permit the members of the Audit Committee to fulfill the duties and responsibilities of the Audit Committee. All members of the Audit Committee meet the Nasdaq Stock Market’s audit committee financial sophistication requirements.

Code of Ethics

The Company has adopted a Code of Business Conduct and Code of Ethics that applies to its principal executive officer, principal financial officer and principal accounting officer.

Item 11. EXECUTIVE COMPENSATION.

SUMMARY COMPENSATION TABLE

The following table sets forth information concerning the compensation for services in all capacities to the Company for the fiscal years ended April 30, 2004, 2003 and 2002 of the chief executive officer of the Company and each of the other executive officers of the Company who were serving at April 30, 2004.

Name and Principal Position	Fiscal Year	Annual Compensation Salary($)	Bonus(a)($)	Long-Term Compensation Awards Restricted Stock Award(s) ($)	Options Granted (#)	All Other Compensation(b) ($)
Jean B. Buttner	2004	917,286	- 0 -	--	--	16,814
Chairman of the Board	2003	898,419	- 0 -	--	--	16,017
and Chief Executive Officer	2002	881,667	- 0 -	--	--	17,976
Samuel Eisenstadt	2004	138,900	125,000	--	--	13,890
Senior Vice President	2003	138,900	122,917	--	--	13,547
and Research Chairman	2002	136,250	120,000	--	--	13,469
David T. Henigson	2004	100,000	415,000	--	--	10,000
Vice President	2003	100,000	415,000	--	--	9,800
	2002	100,000	395,000	--	--	10,000
Howard A. Brecher	2004	50,000	400,000	--	--	5,000
Vice President	2003	50,000	375,000	--	--	4,900
	2002	50,000	325,000	--	--	5,000
Stephen R. Anastasio (c)	2004	100,000	120,000	--	--	10,000
Chief Financial Officer;	2003	100,000	120,000	--	--	9,800
Corporate Controller	2002	100,000	101,062	--	--	10,000

(a) A portion of the bonuses are contingent upon future employment.

(b) Employees of the Company are members of the Value Line Profit Sharing and Savings Plan (the "Plan"). The Plan provides for a defined annual contribution which is determined by a formula based upon the salaries of eligible employees and the amount of consolidated net operating income as defined in the Plan. The Company's contribution expense was $1,217,000 for the year ended April 30, 2004. Each employee's interest in the Plan is invested in such proportions as the employee may elect in shares of one or more of the mutual funds for which the Company acts as investment adviser. Distributions under the Plan vest in accordance with a schedule based upon the employee's length of service and are payable upon the employee's retirement, death, total and permanent disability or termination of employment.

(c) Mr. Anastasio became Chief Financial Officer in April 2003.

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Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The following table sets forth information as of June 16, 2004 as to shares of the Company's Common Stock held by persons known to the Company to be the beneficial owners of more than 5% of the Company's Common Stock.

Name and Address of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned(1)
Arnold Bernhard & Co., Inc.(1) 220 East 42nd Street New York, NY 10017	8,609,632	86.26%

(1) Jean Bernhard Buttner, Chairman of the Board, President and Chief Executive Officer of the Company, owns all of the outstanding voting stock of Arnold Bernhard & Co., Inc.

The following table sets forth information as of June 16, 2004, with respect to shares of the Company's Common Stock owned by each director of the Company, by each executive officer listed in the Summary Compensation Table and by all officers and directors as a group.

Name and Address of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned(1)
Jean Bernhard Buttner	100 (1)	*
Harold Bernard, Jr.		

	450	*
Howard A. Brecher	200	*
Samuel Eisenstadt	100	*
David T. Henigson	150	*
Dr. Herbert Pardes	100	*
Marion Ruth	200	*
Stephen R. Anastasio	100	*
Edgar A. Buttner	100	*
Marianne Asher	-0-	

		*
All directors and executive officers as a group (10 persons)	1,500 (1)	*

*Less than one percent

(1) Excludes 8,609,632 shares (86.26% of the outstanding shares) owned by Arnold Bernhard & Co., Inc. Jean Bernhard Buttner owns all of the outstanding voting stock of Arnold Bernhard & Co., Inc. Substantially all of the non-voting stock of Arnold Bernhard & Co., Inc. is held by members of the Buttner family.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

Arnold Bernhard & Co., Inc. utilizes the services of officers and employees of the Company to the extent necessary to conduct its business. The Company and Arnold Bernhard & Co., Inc. allocate costs for office space, equipment and supplies and support staff pursuant to a servicing and reimbursement arrangement. During the year ended April 30, 2004, the Company was reimbursed $489,000 for such expenses. In addition, a tax-sharing arrangement allocates the tax liabilities of the two companies between them. The Company pays to Arnold Bernhard & Co., Inc. an amount equal to the Company's liability as if it filed separate tax returns.

Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Audit and Non-Audit Fees

For the fiscal year ended April 30, 2004 and 2003, fees for services provided by Horowitz & Ullmann, P.C. were as follows:

	2004	2003
Audit services	$ 125,625	$ 119,300
Financial information systems design and implementation	0	0
All other (including tax consulting)	$ 125,200	$ 135,765

Part IV

Item 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K.

(a) 1. Financial Statements

See Item 8.

2. Schedules

Schedule I - Marketable Securities.
Schedule XIII - Other Investments. (Reg. S-X, Article 5)

All other Schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

3. Exhibits

3.1 Articles of Incorporation of the Company, as amended through April 17, 1983, are incorporated by reference to the Registration Statement - Form S-1 of Value Line, Inc. Part II, Item 16.(a) 3.1 filed with the Securities and Exchange Commission on April 7, 1983.

3.2 Certificate of Amendment of Certificate of Incorporation dated October 24, 1989.

10.8 Form of tax allocation arrangement between the Company and AB&Co. incorporated by reference to the Registration Statement - Form S-1 of Value Line, Inc. Part II, Item 16.(a) 10.8 filed with the Securities and Exchange Commission on April 7, 1983.

10.9 Form of Servicing and Reimbursement Agreement between the Company and AB&Co., dated as of November 1, 1982 incorporated by reference to the Registration Statement - Form S-1 of Value Line, Inc. Part II, Item 16.(a) 10.9 filed with the Securities and Exchange Commission on April 7, 1983.

10.10 Value Line, Inc. Profit Sharing and Savings Plan as amended and restated effective May 1, 1989, including amendments through April 30, 1995, incorporated by reference to the Annual Report on Form 10-K for the year ended April 30, 1996.

10.13 Lease for the Company's premises at 220 East 42nd Street, New York, N.Y. incorporated by reference to the Annual Report on Form 10-K for the year ended April 30, 1994.

21 Subsidiaries of the Registrant.

31 Rule 13a-14 and 15d-14 Certifications

32 Section 1350 Certifications

(b) Reports on Form 8-K.

On April 23, 2004, the Company filed a report on Form 8-K that stated the Board of Directors of the Company declared a special dividend of $17.50 per common share to shareholders of record on May 7, 2004 payable on May 19, 2004.

(c) Code of Business Conduct and Ethics.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report on Form 10-K for the fiscal year ended April 30, 2004, to be signed on its behalf by the undersigned, thereunto duly authorized.

VALUE LINE, INC.
(Registrant)

By: /s/ Jean Bernhard Buttner

Jean Bernhard Buttner
Chairman & Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, 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/ Jean Bernhard Buttner

Jean Bernhard Buttner
Chairman & Chief Executive Officer

By: /s/ Stephen R. Anastasio

Stephen R. Anastasio
Chief Financial Officer

By: /s/ David T. Henigson

David T. Henigson
Vice President and Treasurer

Dated: February 25, 2005

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report on Form 10-K for the fiscal year ended April 30, 2004, to be signed on its behalf by the undersigned as Directors of the Registrant.

/s/ Jean Bernhard Buttner Jean Bernhard Buttner	/s/ Howard A. Brecher Howard A. Brecher
/s/ Harold Bernard, Jr. Harold Bernard, Jr.	/s/ Samuel Eisenstadt Samuel Eisenstadt
/s/ Marion N. Ruth Marion N. Ruth	/s/ David T. Henigson David T. Henigson
/s/ Dr. Herbert Pardes Dr. Herbert Pardes	/s/ Edgar A. Buttner Edgar A. Buttner
/s/ Marianne Asher Marianne Asher	

Dated: February 25, 2005

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A member of the
AICPA SEC Practice Section
New York State Society of CPAs

Report of Independent Accountants

To the Board of Directors
and Shareholders of
Value Line, Inc.

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income and retained earnings, changes in stockholders' equity, and cash flows present fairly, in all material respects, the financial position of Value Line, Inc. and subsidiaries at April 30, 2004 and 2003, and the results of their operations, changes in stockholders' equity, and their cash flows for each of the three years in the period ended April 30, 2004, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits of these 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 provide a reasonable basis for the opinion expressed above.

Our audits of the consolidated financial statements referred to above also included an audit of the Financial Statement Schedules listed in Item 15 (a) of Form 10-K. In our opinion, these Financial Statement Schedules present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated statements.

July 12, 2004
New York, NY

Value Line, Inc.
Consolidated Balance Sheets
(in thousands, except share amounts)

Assets	Apr. 30, 2004	Apr. 30, 2003
Current Assets:		
Cash and cash equivalents (including short term investments of $177,682, and $9,774, respectively)	$ 178,108	$ 10,217
Trading securities	19,981	3,093
Receivable from clearing brokers	5,356	932
Accounts receivable, net of allowance for doubtful accounts of $40, and $41, respectively	1,842	1,914
Receivable from affiliates	2,920	2,310
Prepaid expenses and other current assets	1,911	1,244
Deferred income taxes	104	

48

Total current assets

210,222

19,758

Long term securities available for sale

46,357

216,063

Property and equipment, net

6,545

7,393

Capitalized software and other intangible assets, net

3,800

3,600

Total assets

$
266,924

$
246,814

Liabilities and Shareholders' Equity

Current Liabilities:

Accounts payable, accrued expenses and other liabilities

$
3,619

$
2,852

Accrued salaries

1,576

1,390

Dividends payable

177,172

2,495

Accrued taxes payable

422

613

Total current liabilities

182,789

7,350

Unearned revenue

40,871

38,579

Deferred income taxes

7,684

5,157

Deferred charges

282

350

Shareholders' Equity:

Common stock, $.10 par value; authorized 30,000,000 shares; issued 10,000,000 shares

1,000

1,000

Additional paid-in capital

	991	991
Retained earnings	19,459	183,768
Treasury stock, at cost (18,400 shares on 4/30/04, and 4/30/03)	(354)	(354)
Accumulated other comprehensive income, net of tax	14,202	9,973
Total shareholders' equity	35,298	195,378
Total liabilities and shareholders' equity	$ 266,924	$ 246,814

See independent auditor's report and accompanying notes to the consolidated financial statements.

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Value Line, Inc.
Consolidated Statements of Income and Retained Earnings
(in thousands, except per share amounts)

	Years ended April 30, 2004	2003	2002
Revenues:			
Investment periodicals and related publications	$ 52,497	$ 52,469	$ 53,114
Investment management fees & services	32,206	29,600	34,329
Total revenues	84,703	82,069	87,443
Expenses:			
Advertising and promotion	21,821	20,418	19,928
Salaries and employee benefits	20,764	19,938	21,801
Production and distribution	8,733	9,400	8,831
Office and administration	8,646	8,218	7,697
Total expenses	59,964	57,974	58,257
Income from operations	24,739	24,095	29,186
Income from securities transactions, net	8,266	6,626	5,828
Income before income taxes	33,005	30,721	35,014
Provision for income taxes	12,655	10,734	14,691
Net income	$ 20,350	$ 19,987	$ 20,323
Retained earnings, at beginning of year	183,768	173,760	163,416
Dividends declared	(184,659)	(9,979)	(9,979)
Retained earnings, at end of year	$ 19,459	$ 183,768	$ 173,760
Earnings per share, basic and fully diluted	$ 2.04	$ 2.00	$ 2.04

See independent auditor's report and accompanying notes to the consolidated financial statements.

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Value Line, Inc.
Consolidated Statements of Cash Flows
(in thousands)

	Years ended April 30, 2004	2003	2002
Cash flows from operating activities:			
Net income	$ 20,350	$ 19,987	$ 20,323
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	2,726	3,274	3,115
Gains on sales of trading securities and securities available for sale	(3,075)	(2,242)	(3,277)
Unrealized gains on trading securities	(942)	(75)	258
Deferred income taxes	193	(1,690)	1,049

Changes in assets and liabilities:

Proceeds from sales of trading securities	41,549	4,227	37,536
Purchases of trading securities	(55,406)	(4,591)	(31,414)
Increase/(decrease) in unearned revenue	2,292	(2,060)	1,113
(Decrease)/increase in deferred charges	(344)	73	(277)
Increase/(decrease) in accounts payable and accrued expenses	1,043	(552)	(1,900)
Increase/(decrease) in accrued salaries	186		

	(469
)	
	(432
)	
(Decrease)/increase in accrued taxes payable	
	(191
)	
	486
	(395
)	
(Increase)/decrease in prepaid expenses and other current assets	
	(667
)	
	(40
)	
	70
(Increase)/decrease in accounts receivable	
	667
	(33
)	
	144
(Increase)/decrease in receivable from affiliates	
	(610
)	
	157
	354
Total adjustments	
	(12,579
)	
	(3,535
)	
	5,944

Net cash provided by operations

7,771

16,452

26,267

Cash flows from investing activities:

Proceeds from sales of long term securities

5,788

39,598

56,102

Purchases of long term securities

(1,425
)

(6,894
)

(14,279
)
Proceeds from sales of fixed income securities

229,127

57,471

Purchases of fixed income securities

(61,210
)

(202,040
)

(25,074
)
Acquisition of property and equipment

(271
)

(229
)

(447
)
Expenditures for capitalized software

(1,907
)

(1,608
)

(1,649
)
Net cash (used in) investing activities

170,102

(113,702
)

14,653

Cash flows from financing activities:

Proceeds from sales of treasury stock

45

35

Dividends paid

(9,982
)

(9,979
)

(9,978
)
Net cash used in financing activities

(9,982
)

(9,934

)

(9,943
)

Net increase/(decrease) in cash and cash equivalents

167,891

(107,184
)

30,977

Cash and cash equivalents at beginning of year

10,217

117,401

86,424

Cash and cash equivalents at end of period

$
178,108

$
10,217

$
117,401

See independent auditor's report and accompanying notes to the consolidated financial statements.

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VALUE LINE, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE THREE YEARS ENDED APRIL 30, 2004, 2003 AND 2002
(in thousands, except share amounts)

	Number of common	Par value of common	Additional paid-in	Accumulated other

Treasury

Comprehensive

Retained

comprehensive

shares

shares

capital

Stock

income

earnings

income

Total

Balance at April 30, 2001

9,978,925

$

1,000

$

963

($406

)

$

163,416

$
35,233

$
200,206

Comprehensive income

Net income

$
20,323

20,323

20,323

Other comprehensive income, net of tax:

Change in unrealized gains on securities

(14,580
)

(14,580
)

(14,580
)

Comprehensive income

$
5,743

Exercise of stock options

1,200

12

23

35

Dividends declared

(9,979
)

(9,979
)
Balance at April 30, 2002

9,980,125

$
1,000

$
975

($383
)

$
173,760

$
20,653

$
196,005

Comprehensive income

Net income

$
19,987

19,987

19,987

Other comprehensive income, net of tax:

Change in unrealized gains on securities

(10,680
)

(10,680
)

(10,680
)
Comprehensive income

$

9,307

Exercise of stock options

1,475

16

29

45

Dividends declared

(9,979
)

(9,979
)

Balance at April 30, 2003

9,981,600

$
1,000

$
991

($354
)

$
183,768

$
9,973

$
195,378

Comprehensive income

Net income

$
20,350

20,350

20,350

Other comprehensive income, net of tax:

Change in unrealized gains on securities

4,229

4,229

4,229

Comprehensive income

$
24,579

Dividends declared

(184,659
)

(184,659
)
Balance at April 30, 2004

$
9,981,600

$
1,000

$
991

($354
)

$
19,459

$
14,202

$
35,298

See independent auditor's report and accompanying notes to the consolidated financial statements.

Value Line, Inc.
Notes to Consolidated Financial Statements

Note 1 - Organization and Summary of Significant Accounting Policies:

Value Line, Inc. (the "Company") is incorporated in New York State and carries on the investment periodicals and related publications and investment management activities formerly performed by Arnold Bernhard & Co., Inc. (the "Parent") which owns approximately 86% of the issued and outstanding common stock of the Company.

Principles of consolidation: The consolidated financial statements include the accounts of the Company and all of its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Revenue recognition: Subscription revenues are recognized ratably over the terms of the subscriptions. Accordingly, the amount of subscription fees to be earned by servicing subscriptions after the date of the balance sheet is shown as unearned revenue. The unearned revenue shown on the balance sheet is a noncurrent deferred credit. This classification recognizes that the fulfillment of this commitment will require the use of significantly fewer current assets than the amount of the unearned revenues and, accordingly, combining it with current liabilities would significantly understate the liquidity position of the Company.

Investment management fees are recorded as revenue as the related services are performed.

Valuation of Securities:

The Company's long-term securities available for sale portfolio, which consists of shares of the Value Line Mutual Funds and government debt securities, is accounted for in accordance with Statement of Financial Accounting Standards No.115, "Accounting for Certain Investments in Debt and Equity Securities".The securities are valued at market with unrealized gains and losses on these securities reported, net of applicable taxes, as a separate component of Shareholders' Equity. Realized gains and losses on sales of the long term securities are recorded in earnings on trade date and are determined on the identified cost method.

Trading securities held by the Company are valued at market with unrealized gains and losses included in earnings.

Market valuation of securities listed on a securities exchange and over-the-counter securities traded on the NASDAQ national market is based on the closings sales prices on the last business day of each month. In the absence of closing sales prices for such securities, and for other 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.

Valuation of open-ended mutual fund shares are based upon the daily net asset values of the shares as calculated by such funds.

The market value of the Company's fixed maturity government debt obligations are valued utilizing quoted prices at the end of each day provided by an outside pricing service.

Advertising expenses: The Company expenses advertising costs as incurred.

Value Line, Inc.
Notes to Consolidated Financial Statements

Income Taxes:

The Company computes its income tax provision in accordance with the provisions of Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes". Deferred tax liabilities and assets are recognized for the expected future tax consequences of events that have been reflected in the Consolidated Financial Statements. Deferred tax liabilities and assets are determined based on the differences between the book values and the tax bases of particular assets and liabilities, using tax rates currently in effect for the years in which the differences are expected to reverse.

Earnings per share: Earnings per share are based on the weighted average number of shares of common stock and common stock equivalents outstanding during each year.

Cash and Cash Equivalents: For purposes of the Consolidated Statements of Cash Flows, the Company considers all cash held at banks and short term liquid investments with an original maturity of less than three months to be cash and cash equivalents. As of April 30, 2004 and 2003, cash equivalents included $122,319,000 and $4,979,000, respectively, invested in the Value Line money market funds.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - Supplementary Cash Flow Information:

Cash payments for income taxes were $12,755,000, $11,480,000, and $14,034,000 in fiscal 2004, 2003, and 2002, respectively. Interest payments of $18,000, $49,000, and $6,000, were made in fiscal 2004, 2003, and 2002, respectively.

Note 3 - Related Party Transactions:

The Company acts as investment adviser and manager for fourteen open-ended investment companies, the Value Line Family of Funds (see Note 4). The Company earns investment management fees based upon the average daily net asset values of the respective funds. Effective July 1, 2000, the Company received service and distribution fees under rule 12b-1 of the Investment Company Act of 1940 from twelve of the fourteen mutual funds for which Value Line is the adviser. Effective September 18, 2002, the Company began receiving service and distribution fees under rule 12b-1 from the remaining two funds, for which Value Line, Inc. is the adviser. The Company also earns brokerage commission income, net of clearing fees, on securities transactions executed by Value Line Securities, Inc. on behalf of the funds that are cleared on a fully disclosed basis through non-affiliated brokers. For the years ended April 30, 2004, 2003, and 2002, investment management fees, service and distribution fees and brokerage commission income, net of clearing fees, amounted to $30,851,000, $28,022,000, and $32,296,000, respectively. These amounts include service and distribution fees of $9,638,000, $7,968,000, and $6,269,000, respectively. The related receivables from the funds for management advisory fees and service and distribution fees included in Receivable from affiliates were $2,448,000, and $2,249,000, at April 30, 2004 and 2003, respectively.

For the years ended April 30, 2004, 2003, and 2002, the Company was reimbursed $489,000, $527,000 and $539,000, respectively, for payments it made on behalf of and services it provided to the Parent. At April 30, 2004 and 2003, receivable from affiliates included a receivable from the Parent of $70,000 and $45,000, respectively. For the years ended April 30, 2004, 2003, and 2002, the Company made federal income tax payments to the Parent amounting to

$10,650,000, $9,500,000 and $11,498,000, respectively. At April 30, 2004 and 2003, accrued taxes payable included a federal tax liability owed to the Parent in the amount of $390,000 and $425,000, respectively. These data are in accordance with the tax sharing arrangement described in Note 6.

Value Line, Inc.
Notes to Consolidated Financial Statements

Note 4 - Investments:

Trading Securities:

Securities held by the Company had an aggregate cost of $18,854,000 and a market value of $19,981,000 at April 30, 2004, and an aggregate cost of $2,908,000 and a market value of $3,093,000 at April 30, 2003. Net realized trading gains amounted to $2,084,000 during the year ended April 30, 2004. Net realized trading losses amounted to $969,000 during the year ended April 30, 2003. Net realized trading losses amounted to $5,355,000 during fiscal 2002.

The net changes in unrealized gains for the periods ended April 30, 2004, 2003 and 2002 of $942,000, $75,000 and $258,000, respectively, are included in the Consolidated Statement of Income.

Long-Term Securities Available for Sale:

The aggregate cost of the long-term securities, which are primarily invested in the Value Line mutual funds, was $24,502,000 and the market value was $46,353,000 at April 30, 2004. The aggregate cost of the long-term securities at April 30, 2003 was $31,366,000 and the market value was $45,150,000. The total gains for equity securities with net gains included in Accumulated Other Comprehensive Income on the Consolidated Balance Sheet are $21,850,000 and $13,784,000, net of deferred taxes of $7,648,000 and $4,824,000 as of April 30, 2004 and 2003, respectively. There are no losses on equity securities included in Accumulated Other Comprehensive Income for the fiscal years ended April 30, 2004 and 2003, respectively. The increase in gross unrealized gains on these securities of $8,066,000 and the decrease of $17,987,000, net of deferred taxes of $2,823,000 and $6,295,000 were included in shareholders' equity at April 30, 2004 and 2003, respectively.

Realized capital gains from the sales of long-term securities available for sale were $1,441,000, $2,609,000 and $8,633,000 of which $1,413,000, $1,997,000 and $6,357,000 of capital gains were reclassified out of Accumulated Other Comprehensive Income into earnings during fiscal years ended April 30, 2004, 2003, and 2002, respectively. The proceeds received from the sales of these securities during the fiscal years ended April 30, 2004, 2003, and 2002 were $9,751,000, $39,598,000 and $56,102,000, respectively.

Government Debt Securities:

The Company's investments in debt securities are available for sale and valued at market value. The aggregate cost and fair value at April 30, 2004 for U.S. government debt securities classified as available for sale were as follows:

	(In Thousands)		
Maturity	Historical Cost	Fair Value	Gross Unrealized Holding Gains
Due in 1-2 years	$ 1	$ 1	$ 0
Total investment in debt securities	$ 1	$ 1	$ 0

The aggregate cost and fair value at April 30, 2003 for U.S. government debt securities classified as available for sale were as follows:

	(In Thousands)
	Historical

Maturity	Cost	Fair Value	Gross Unrealized Holding Gains
Due in 1-2 years	$ 104,401	$ 104,718	$ 317
Due in 2-5 years	64,953	66,195	1,242
Total investment in debt securities	$ 169,354	$ 170,913	$ 1,559

Value Line, Inc.
Notes to Consolidated Financial Statements

There are no gains or losses on U.S. government debt securities included in Accumulated Other Comprehensive Income on the Consolidated Balance Sheets as of April 30, 2004 and no losses included for 2003, respectively. The total gains for U.S. government debt securities included in Accumulated Other Comprehensive Income are $1,559,000, net of deferred taxes of $546,000, as of April 30, 2003.

The average yield on the U.S. Government debt securities classified as available for sale at April 30, 2004 and April 30, 2003 was 2.59% and 3.36%, respectively.

Proceeds from sales of long-term fixed income securities available for sale during fiscal 2004 were $230,210,000 and the related loss on sales, which were reclassified from Accumulated Other Comprehensive Income in the Balance Sheet was $354,000. Proceeds from sales of long-term fixed income securities available for sale during fiscal 2003 were $57,471,000 and the related gain on sales, which were reclassified from Accumulated Other Comprehensive Income on the Balance Sheet was $602,000. There were no sales of long-term fixed income securities during fiscal year 2002.

During the year ended April 30, 2003, the Company transferred investments in debt securities from held-to-maturity classification to available for sale classification. The amortized cost of the securities transferred was $112,154,000 and the unrealized gain on the securities was $1,555,000. The circumstances leading to the decision to transfer the securities were primarily the result of the changing market conditions increasing the possibility that the Company may sell the securities prior to their maturity.

For the years ended April 30, 2004, 2003, and 2002, income from securities transactions also included $247,000, $832,000,and $2,487,000, of dividend income; $4,012,000, $3,529,000, and $343,000, of interest income; and $18,000, $49,000 and $6,000, of related interest expense, respectively.

Note 5 - Property and Equipment:

Property and equipment are carried at cost. Depreciation and amortization are provided using the straight-line method over the estimated useful lives of the assets, or in the case of leasehold improvements, over the remaining terms of the leases. For income tax purposes, depreciation of furniture and equipment is computed using accelerated methods and buildings and leasehold improvements are depreciated over prescribed, extended tax lives.

Property and equipment consist of the following:

	April 30, 2004	April 30, 2003
	(in thousands)	
Land	$ 726	$ 726
Building and leasehold improvements	7,834	7,834
Furniture and equipment	10,569	10,585
	19,129	19,145
Accumulated depreciation and amortization	(12,584)	(11,752)
	$ 6,545	$ 7,393

Value Line, Inc.
Notes to Consolidated Financial Statements

Note 6 - Federal, State and Local Income Taxes:

The Company computes its income tax provision in accordance with the provisions of Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes".

The provision for income taxes includes the following:

		Years ended April 30,	
	2004	2003	2002
Current:		(in thousands)	
Federal	$ 10,453	$ 10,383	$ 11,232
State and local	2056	2,041	2,502
	12,509	12,424	13,734
Deferred:			
Federal	134	(1,704)	960
State and local	12	14	(3)
	146	(1,690)	957
Provision for income taxes	$ 12,655	$ 10,734	$ 14,691

Deferred taxes are provided for temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities. The tax effect of temporary differences giving rise to the Company's deferred tax (liability)/asset are as follows:

		Years ended April 30,	
	2004	2003	2002
		(in thousands)	
Unrealized gains on securities held for sale	($7,648)	($5,370)	($11,121)
Unrealized gains on trading securities	(395)	(65)	(40)
Depreciation and amortization	(101)	(294)	(575)
Deferred professional fees	348	340	370
Deferred charges	151	308	451
Other, net	65	(127)	(1735)
	($7,580)	($5,208)	($12,650)

Included in deferred income taxes in total current assets are deferred state and local income taxes of $104,000 and $48,000 at April 30, 2004 and 2003, respectively. Accrued taxes payable at April 30, 2003, included a deferred federal tax liability of $99,000.

Value Line, Inc.
Notes to Consolidated Financial Statements

The provision for income taxes differs from the amount of income tax determined by applying the applicable U.S. statutory income tax rate to pretax income as a result of the following:

	Years ended April 30, 2004	2003 (in thousands)	2002
Tax expense at the U.S. statutory rate	$ 11,552	$ 10,752	$ 12,255
Increase (decrease) in tax expense from:			
State and local income taxes, net of federal income tax benefit	1,344	1,336	1,629
Effect of tax exempt income and dividend deductions	(278)	(95)	(28)
Other, net	37	(1,259)	835
Provision for income taxes	$ 12,655	$ 10,734	$ 14,691

The provision for income taxes has been reduced by approximately $1,257,000 for the fiscal year ended April 30, 2003, primarily resulting from the favorable disposition of a pending tax audit, which was concluded during the year.

The Company is included in the consolidated federal income tax return of the Parent. The Company has a tax sharing arrangement which requires it to make tax payments to the Parent equal to the Company's liability as if it filed a separate return.

Note 7 - Employees' Profit Sharing and Savings Plan:

Substantially all employees of the Company and its subsidiaries are members of the Value Line, Inc. Profit Sharing and Savings Plan (the "Plan"). In general, this is a qualified, contributory plan which provides for a discretionary annual Company contribution which is determined by a formula based upon the salaries of eligible employees and the amount of consolidated net operating income as defined in the Plan. Plan expense, included in salaries and employee benefits in the Consolidated Statements of Income and Retained Earnings, for the years ended April 30, 2004, 2003, and 2002 was $1,217,000, $862,000, and $1,171,000, respectively.

Value Line, Inc.
Notes to Consolidated Financial Statements

Note 8 - Incentive Stock Options:

On April 17, 1993, the Incentive Stock Option Plan expired. On the date of expiration, 22,550 options available for grant were cancelled. Information on the 1983 Incentive Stock Option Plan for the three years ended April 30, 2004, is as follows:

	Number of Shares		Option Prices
Outstanding at April 30, 2001	2,675	$	29.75
Granted	--		
Exercised	(1,200)	$	29.75
Cancelled	--		
Outstanding at April 30, 2002	1,475	$	29.75
Granted	--		
Exercised	(1,475)	$	29.75
Cancelled	--		
Outstanding at April 30, 2003	--		--
Granted	--		
Exercised	--		--
Cancelled	--		--
Outstanding at April 30, 2004	--		--

At April 30, 2004, all of the options under the option plan were exercised. Of the common stock held in treasury at April 30, 2002, 1,475 shares were issued during fiscal 2003 for the exercise of stock options.

Note 9 - Treasury Stock:

Treasury stock, at cost, for the three years ended April 30, 2004, consists of the following:

	Shares		Amount (in thousands)
Balance April 30, 2001	21,075	$	406
Exercise of incentive stock options	(1,200)		(23)
Balance April 30, 2002	19,875	$	383
Exercise of incentive stock options	(1,475)		(29)
Balance April 30, 2003	18,400	$	354
Exercise of incentive stock options	--		--
Balance April 30, 2004	18,400	$	354

Value Line, Inc.
Notes to Consolidated Financial Statements

Note 10 - Lease Commitments:

On June 4, 1993, the Company entered into a 15 year lease agreement to provide primary office space. The lease includes free rental periods as well as scheduled base rent escalations over the term of the lease. The total amount of the base rent payments is being charged to expense on the straight-line method over the term of the lease. The Company has recorded a deferred charge on its Consolidated Balance Sheets to reflect the excess of annual rental expense over cash payments since inception of the lease. On September 14, 2000, the Company amended its lease for primary office space and returned to the landlord approximately 6,000 square feet of excess office capacity, reducing the Company's future minimum lease payments, accordingly.

Future minimum payments, exclusive of forecasted increases in real estate taxes and wage escalations, under operating leases for office space, with remaining terms of one year or more, are as follows:

Year ended April 30:	(in thousands)
2005	1,788
2006	1,788
2007	1,788
2008	1,148
Thereafter	21
	$ 6,533

Rental expense for the years ended April 30, 2004, 2003 and 2002 under operating leases covering office space was $1,544,000, $1,350,000, and $1,373,000, respectively.

Value Line, Inc.
Notes to Consolidated Financial Statements

Note 11 - Business Segments:

The Company operates two reportable business segments: Publishing and Investment Management Services. The publishing segment produces investment related periodicals in both print and electronic form. The investment management segment provides advisory services to mutual funds, institutional and individual clients as well as brokerage services for the Value Line family of mutual funds. The segments are differentiated by the products and services they offer.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. The Company allocates all revenues and expenses, except for depreciation related to corporate assets, between the two reportable segments.

Disclosure of Reportable Segment Profit and Segment Assets (in thousands)

	April 30, 2004		
	Publishing	Investment Management Services	Total
Revenues from external customers	$ 52,497	$ 32,206	$ 84,703
Intersegment revenues	193	--	193
Income from securities transactions	4	8,262	8,266
Depreciation and amortization	2,632	62	2,694
Segment profit	14,391	10,380	24,771
Segment assets	14,592	74,786	89,378
Expenditures for segment assets	2,128	45	2,173

	April 30, 2003		
	Publishing	Investment Management Services	Total
Revenues from external customers	$ 52,469	$ 29,600	$ 82,069
Intersegment revenues	180	--	180
Income from securities transactions	38	6,588	6,626
Depreciation and amortization	3,080	156	3,236
Segment profit	13,660	10,473	24,133
Segment assets	18,648	227,786	246,434
Expenditures for segment assets	1,571	37	1,608

Value Line, Inc.
Notes to Consolidated Financial Statements

Reconciliation of Reportable Segment Revenues,
Operating Profit and Assets
(in thousands)

	2004	2003
Revenues		
Total revenues for reportable segments	$ 84,896	$ 82,249
Elimination of intersegment revenues	(193)	(180)
Total consolidated revenues	$ 84,703	$ 82,069
Segment profit		
Total profit for reportable segments	$ 33,037	$ 30,759
Less: Depreciation related to corporate assets	(32)	(38)
Income before income taxes	$ 33,005	$ 30,721
Assets		
Total assets for reportable segments	$ 89,378	$ 246,434
Corporate assets	177,546	380
Consolidated total assets	$ 266,924	$ 246,814

Note 12 - Net Capital:

The Company's wholly owned subsidiary, Value Line Securities, Inc. is subject to the net capital provisions of Rule 15c3-1 under the Securities Exchange Act of 1934, which requires the maintenance of minimum net capital of $100,000 or one-fifteenth of aggregate indebtedness, if larger. Additionally, dividends may only be declared if aggregate indebtedness is less than twelve times net capital.

At April 30, 2004, the net capital, as defined of Value Line Securities, Inc. of $16,464,000 exceeded required net capital by $16,364,000 and the ratio of aggregate indebtedness to net capital was .06 to 1.

Note 13 - Disclosure of Credit Risk of Financial Instruments with Off Balance Sheet Risk:

In the normal course of business, the Company enters into contractual commitments, principally financial futures contracts for securities indices. Financial futures contracts provide for the delayed delivery of financial instruments for which the seller agrees to make delivery at a specified future date, at a specified price or yield. The contract or notional amount of these contracts reflects the extent of involvement the Company has in these contracts. At April 30, 2004 and 2003, the Company did not have any investment in financial futures contracts. The Company limits its credit risk associated with such instruments by entering into exchange traded future contracts.

The Company executes, as agent, securities transactions on behalf of the Value Line mutual funds. If either the mutual fund or a counter party fail to perform, the Company may be required to discharge the obligations of the nonperforming party. In such circumstances, the Company may sustain a loss if the market value of the security is different from the contract value of the transaction.

No single customer accounted for a significant portion of the Company's sales in 2004, 2003 or 2002, nor accounts receivable for 2004 or 2003.

Value Line, Inc.
Notes to Consolidated Financial Statements

Note 14 - Comprehensive Income:

During the fiscal year 1999, the Company adopted FASB statement no. 130, Reporting Comprehensive Income. Statement no. 130 requires the reporting of comprehensive income in addition to net income from operations. Comprehensive income is a more inclusive financial reporting methodology that includes disclosure of certain financial information that historically has not been recognized in the calculation of net income.

At April 30, 2004, 2003, and 2002, the Company held both equity securities and U.S. Government debt securities that are classified as Long Term Securities Available for Sale on the Consolidated Balance Sheets. The change in valuation of these securities, net of deferred taxes has been recorded in Accumulated Other Comprehensive Income in the Company's Balance Sheets.

The gross change in other comprehensive income during fiscal 2004 that resulted from an increase in unrealized gains and the deferred taxes on the change in value of equity securities classified as available for sale were $8,066,000 and $2,823,000, respectively. The gross change in other comprehensive income during fiscal 2003 and 2002 that resulted from a decrease in unrealized gains and deferred taxes on the change in value of equity securities classified as available for sale were $17,987,000 and $22,431,000 and $6,295,000 and $7,851,000, respectively.

The gross change in other comprehensive income during fiscal 2004 that resulted from a decrease in unrealized gains and the deferred taxes on the change in value of U.S. Government debt securities classified as available for sale were $1,559,000 and $545,000, respectively. The gross change in other comprehensive income during fiscal 2003 that resulted from an increase in unrealized gains and a reclassification of the U.S. Government Debt securities from the classification, held-to-maturity to available for sale and the deferred taxes on the change in value of U.S. Government debt securities were $1,559,000, and $545,000, respectively. The U.S. Government debt securities were reclassified as available for sale during fiscal 2003 from the classification of held-to-maturity during fiscal year 2002 with $1,555,000 of unrealized gains included in 2003's gross change in other comprehensive income.

Note 15 - Accounting for the Costs of Computer Software Developed for Internal Use:

During fiscal year 1999, the Company adopted the provisions of the Statement of Position 98-1, (SOP 98-1), "Accounting for the Costs of Computer Software Developed for Internal Use". SOP 98-1 is effective for tax years ending after December 31, 1998.

The SOP 98-1 requires companies to capitalize as long-lived assets many of the costs associated with developing or obtaining software for internal use and amortize those costs over the software's estimated useful life in a systematic and rational manner.

At April 30, 2004 and 2003 the Company capitalized $1,123,000 and $868,000 of costs related to the development of software for internal use. Such costs are capitalized and amortized over the expected useful life of the asset which is approximately 3 years. Amortization expense for the years ended April 30, 2004, 2003 and 2002 was $889,000, $1,062,000, and $917,000, respectively.

Note 16 - Contingencies

The Company commenced an action in New York Supreme Court against a small mutual fund company pertaining to a contemplated transaction. The Company is seeking damages in an unspecified amount. The Company was countersued for alleged damages in excess of $5,000,000. A related entity of the defendant in the New York action brought suit against the Company and certain Directors in Federal Court in Texas based on the same transaction. Although the ultimate outcome of the litigation is subject to the inherent uncertainties of any legal proceedings, based upon Counsel's analysis of the factual and legal issues and the Company's meritorious defenses, it is management's belief that the expected outcome of this matter will not have a material adverse effect on the Company's consolidated results of operations and financial condition.

VALUE LINE, INC.
SCHEDULE 1-MARKETABLE SECURITIES
As of APRIL 30, 2004

Common Stock Name	Number of Shares	Cost	Market
1 800 FLOWERS.COM	37,242	344,282.56	371,675.16
ACCREDO HEALTH INC	10,639	411,939.57	411,303.74
AETNA INC.	376	33,042.84	31,020.00
AGILENT TECHNOLOGIES	12,587	434,052.79	339,974.87
AMERICAN FINANCIAL GROUP INC	4,383	130,776.99	134,558.10
AMERICAN INTERNATIONAL GROUP INC	5,299	393,269.91	379,673.35
AMERITRADE HOLDINGS CORP.	25,768	273,435.88	315,915.68
ANDREW CORP	2,010	40,702.50	34,129.80
APOLLO GROUP INC	390	33,796.80	35,490.00
ARCHER DANIELS MIDLAND CO	23,724	408,996.22	416,593.44
ARMOR HOLDINGS INC	11,829	346,300.94	390,830.16
ARROW ELECTRONICS INC	4,927	124,935.91	124,554.56
AUTODESK INC.	854	29,061.62	28,617.54
BARD C R INC	326	34,967.94	34,644.02
BIOGEN IDEC INC	7,396	392,658.60	436,364.00
BMC SOFTWARE INC	1,963	36,925.99	33,959.90
CAREER EDUCATION CORP.	538	34,585.28	34,421.24
CEPHLON INC	594	33994.62	33,804.54
CERNER CORP	744	32788.08	31,858.08
CHARLES RIVER LABS INTL INC	794	33,586.28	36,524.00
CHATTEM INC.	1,035	29,034.75	28,038.15
CHICOS FAS INC	9,041	315,067.91	368,239.93
COACH INC.	814	34,881.77	34,676.40
COMMERCE BANCORP INC	694	40,128.76	39,564.94
COPART INC	18,335	382,512.10	347,448.25
CVS CORP.	11,097	407,512.88	428,677.11
DAVITA INC.	1,026	35,644.60	52,428.60
D R HORTON INC.	11,931	330,723.03	343,612.80
DST SYSTEMS INC	929	41,182.57	41,015.35
ENESCO GROUP	2,370	34,388.70	30,738.90
ERESEARCHTECHNOLOGY INC	13,779	437,798.47	433,762.92
ERICSSON LM TEL CO	1,445	40,295.27	38,538.15
ETRADE GROUP INC.	31,050	433,124.16	352,728.00
FAIRCHILD SEMICONDUCTOR	1,501	40,219.98	29,224.47
FISHER SCIENTIFIC INTL INC	550	29,524.00	32,202.50
FLIR SYS INC	745	34,903.25	34,895.80
FOOT LOCKER INC	15,784	339,898.68	378,816.00
FORTUNE BRANDS INC	456	34,944.60	34,770.00
GENENTECH, INC.	3,779	239,565.39	464,061.20
GEORGIA PAC CORP	10,717	403,671.88	376,166.70
GETTY IMAGES INC.	661	35,026.39	36,090.60
GUESS INC.	22,978	370,997.37	357,767.46
HARMAN INTL INDS INC.	5,014	322,640.42	380,311.90

HEADWATERS INC	**5,478**	**127,565.30**	**125,172.30**
HELEN OF TROY CORP LTD.	**1,368**	**39,388.23**	**45,444.96**
HOME DEPOT INC.	**11,088**	**383,569.44**	**390,186.72**
IDX SYSTEMS	**11,622**	**222,350.93**	**368,417.40**
IDEXX LABS INC	**597**	**33,649.85**	**36,572.22**
INCO LTD	**10,617**	**395,144.30**	**305,238.75**
INGRAM MICRO INC	**1,550**	**29,233.00**	**18,522.50**
INTERNATIONAL GAME TECH.	**9,036**	**339,011.72**	**341,018.64**

Common Stock Name	Number of Shares	Cost	Market
INVITROGEN CORP.	5,465	335,012.70	395,447.40
KORN FERRY INTERNATIONAL	2,250	33,725.03	33,705.00
L-3 COMMUNICATIONS HOLDINGS	588	34,133.40	36,303.12
LABORATORY CORP OF AMERICA HOLDINGS	997	40,900.08	39,620.78
LANDRY'S RESTAURANTS INC	4,176	132,232.69	139,812.48
MANDALAY RESORT GROUP	5,543	337,993.58	318,445.35
MARVEL TECHNOLOGY GROUP	8,803	340,356.70	342,612.76
MOTOROLA INC	7,175	129,209.70	130,943.75
NAVIGANT CONSULTING NC.	19,839	298,668.48	347,777.67
NBTY INC	1,100	37,730.00	40,876.00
NEXTEL COMMUNICATIONS INC.	16,104	318,034.31	384,080.40
NORFOLK SOUTHERN CORP	18,235	405,906.07	434,357.70
NU SKIN ENTERPRISES INC	17,518	308,978.82	414,651.06
OPEN TEXT CORP	12,774	377,277.37	347,069.58
PATINA OIL & GAS CORP	1,734	40,137.21	48,205.20
PEPSIAMERICAS INC	1,675	33,088.29	33,550.25
PFIZER INC	1,102	40,234.02	39,407.52
PHELPS DODGE CORP	4,969	386,491.49	327,109.27
PIXELWORKS INC	7,592	130,393.94	135,744.96
POLTECH CORP	10,249	392,419.19	388,232.12
PULTE HOMES INC.	2,253	109,460.51	110,780.01
QUALCOMM, CORP.	6,097	348,946.06	380,818.62
QUEST DIAGNOSTICS INC	360	29,553.00	30,366.00
RADIO ONE INC CLASS A	2,188	40,200.34	41,659.52
RADIO ONE INC	19,619	365,247.90	371,976.24
RED HAT INC	17,141	380,177.06	389,443.52
RESEARCH IN MOTION LTD	3,835	282,182.52	334,028.50
ROGERS CORP	583	34,278.07	34,805.10
SAPIENT CORP	5,751	38,601.92	32,205.60
SCHLUMBERGER LTD	6,670	414,047.25	390,395.10
SILICON LABORATORIES INC	905	39,994.76	42,670.75
SMART & FINAL INC	3,180	38,974.18	36,729.00
STANLEY WORKS	9,101	389,236.29	386,883.51
STARBUCKS CORP.	739	29,105.22	28,761.88
STATION CASINOS INC	845	40,597.77	38,092.60
SYMANTEC CORP	8,723	289,259.04	392,971.15
TECHNE CORP.	1,020	38,379.24	39,892.20
TELECOM CORP OF NEW ZEALAND	13,356	421,684.95	379,043.28
THERMO ELECTRON CORP	1,388	39,656.27	40,529.60
THOMAS & BETTS CORP	3,734	90,021.89	89,765.36
TRANSACTION SYSTEMS ARCHITEC	17,902	309,999.39	380,059.46
UNV PHOENIX ONLINE	4,616	324,159.48	401,961.28
URBAN OUTFITTERS INC.	8,401	191,294.24	387,874.17
VARIAN MEDICAL SYSTEMS INC.	479	39,805.53	41,117.36
WATERS CORP.	1,091	38,370.98	47,076.65
WEBEX INC.	13,612	249,071.39	305,453.28
WEBSENSE INC	1,245	39,815.10	36,727.50

WEIGHT WATCHERS INTL INC	**951**	**40,693.29**	**37,089.00**
WHOLE FOODS MARKET INC	**503**	**40,465.39**	**40,234.97**
YAHOO INC	**742**	**40,230.79**	**37,493.26**
ZIMMER HOLDINGS INC	**4,337**	**339,584.77**	**346,309.45**
TO MARKETABLE SECURITIES		**18,853,718.68**	**19,981,428.09**

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Value Line, Inc.
Schedule XIII-Other Investments:4/30/2004

Long Term Securities Available For Sale:		Historical Cost		Market Value
Investments In Value Line Mutual Funds				
The Value Line Emerging Opportunity Fund, Inc.		**9,155,526**		**19,205,507**
The Value Line Asset Allocation Fund, Inc.		**15,346,729**		**27,147,244**
Total Investments In Value Line Mutual Funds	$	**24,502,255**	$	**46,352,751**
Other Long Term Investments:				
300 Shares of National Association of Securities Dealers, Inc.	$	**3,000**	$	**3,000**
Fixed Income Investments				
Federal Home Loan Bank 2.50% due 4/06		**1,000**		**999**
Total Fixed Income Investments	$	**1,000**	$	**999**
Total Long Term Securities Available For Sale	$	**24,506,255**	$	**46,356,750**

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