

Alger Small Cap Growth Fund
 a sub fund of The Alger Funds
 Class B (US0155655006)
 managed by Fred Alger Management, Inc.

Objectives and Investment Policy

Alger Small Cap Growth Fund seeks long-term capital appreciation.

The Fund focuses on small, fast growing companies that the Investment Manager of the Fund, Fred Alger Management, Inc., believes demonstrate promising growth potential. Under normal circumstances, the Fund invests at least 80% of its net assets in small cap equity securities with a total market capitalization within the appropriate range.

The Fund references the market capitalization of small companies included in the Russell 2000 Growth Index or the S&P SmallCap 600 Index. The range of these indexes is updated each quarter end. At December 31, 2011, the market capitalization of the companies in these indexes ranged from \$23.4 million to \$3.7 billion.

The Fund can also invest in derivative instruments to increase gain, to hedge against the risk of unfavorable price movements in the underlying securities, or to diversify risk. The Fund may enter into forward currency contracts to hedge the Fund's foreign currency exposure when it holds non-U.S. dollar denominated securities.

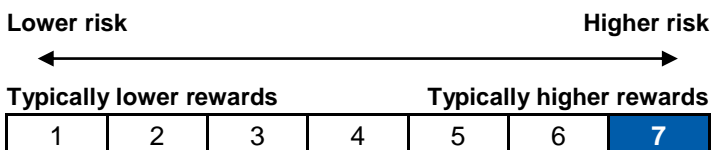
The Board of Trustees has authorized a partial closing of the Fund. The Fund's shares are available for purchase only by existing shareholders of the Fund who maintain open accounts and certain investors identified by Fred Alger & Company, Incorporated, the Fund's distributor.

The Fund pays transaction costs, such as commissions, when it buys or sells securities. These costs are not reflected in the Fund's expenses, but affect the Fund's performance.

You may redeem your shares on each business day. The right of redemption may however be suspended if extraordinary circumstances exist which make a suspension appear necessary having regard to the interests of the Fund's shareholders.

Additionally, you can direct the Fund whether to distribute or reinvest dividends and distributions. Please refer to the Section "Dividends and Distributions" in the Prospectus for further information.

Risk and Reward Profile



This indicator is based on historical data and may not be a reliable indication of the future risk and reward profile of the Fund. The risk category shown is not guaranteed and may shift over time. The category 1 does not mean a risk free investment.

Alger Small Cap Growth Fund has been classified in category 7 since the fluctuation of its Net Asset Value is relatively high. Therefore the chance to make large gains means the risk of suffering large losses.

When categorizing a Fund it may happen that not all material risks were fully captured by the methodology. A detailed description of the risks can be found in detail in the Principal Investment Strategy and Principal Risks sections of the Prospectus. The following risks do not have an impact on the categorization of the Fund but may be relevant to the Fund's overall risk profile:

Risks related to investments in growth stocks: Prices of growth stocks tend to be higher in relation to their companies earnings and may be more sensitive to market, political and economic developments than other stocks, making their prices more volatile.

Risks related to investments in small companies: Investing in smaller, less seasoned companies rather than larger, more established companies may involve greater risk because of inexperienced management and limited product lines or financial resources. It may be difficult or impossible to liquidate a security position at a time and price acceptable to the Fund because of the potentially less frequent trading of stocks of smaller market capitalization.

Risks related to the use of derivatives: The Fund may invest in, or enter into, derivatives for a variety of reasons, including to hedge certain market or interest rate risks, to provide a substitute for purchasing or selling particular securities or to increase potential returns. A small investment in derivatives could have a large impact on the Fund's performance.

Charges for this Fund

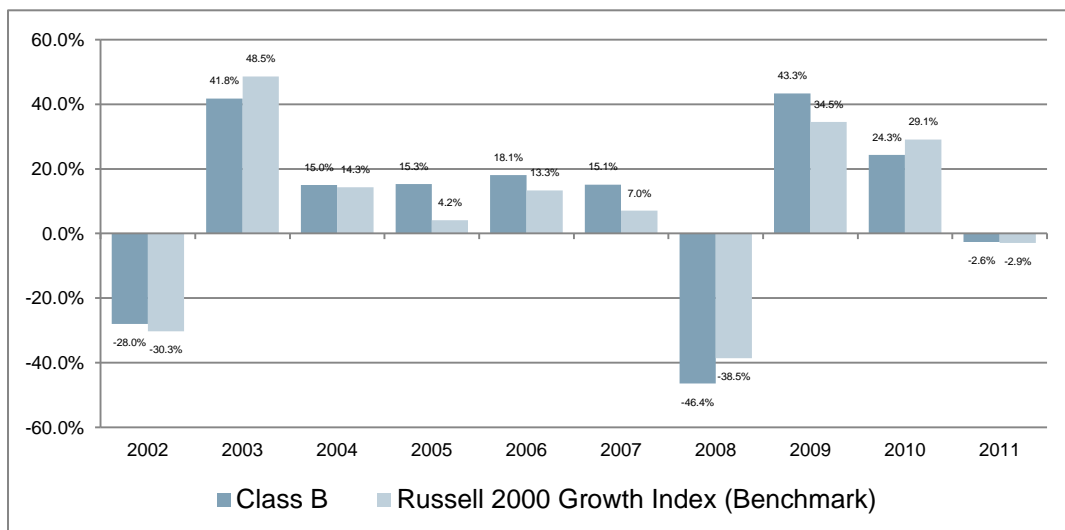
These charges are used to pay the costs of running the Fund, including the costs of marketing and selling. These charges reduce the growth of your investment.

One-off charges taken before or after you invest	
Entry charge	0.00%
Exit charge	7.00%
Charges taken from the fund over each year	
Ongoing charge	2.18%
Charges taken from the Fund under specific conditions	
Performance fee	0.00%

The entry and exit charges shown are maximum figures. In some cases you might pay less. For more information about charges, please see pages A-2 to A-12 of the Fund's Prospectus or ask your financial adviser.

The ongoing charges figure is based on expenses for the year ending October 31, 2011. This figure may vary from year to year. It excludes portfolio transaction costs.

Past Performance



The Fund's past performance is not a reliable indicator of how it will perform in the future.

The chart does not reflect the effect of sales charges that may be imposed.

Alger Small Cap Growth Fund commenced investment operations on November 11, 1986.

The past performance of the Fund is calculated in US Dollars.

Practical Information

Brown Brothers Harriman & Co., 40 Water Street, Boston, Massachusetts 02109 is the Fund's custodian.

The prospectus, annual and semi-annual reports and other information about the Fund can be obtained in the German language at www.alger.com and www.fundinfo.com free of charge. The issue and redemption prices will be published at www.fundinfo.com.

Existing shareholders may exchange Class B Shares of the Fund for Class B Shares of another Fund, if available, on the basis of the relevant Net Asset Value. Class B Shares are not offered to new investors. Shareholders may incur a 2% redemption fee if exchanging shares within 30 days of acquisition.

The Fund is subject to the German Investment Tax Act. This can have an impact on how your income from the Fund is taxed. Furthermore US tax legislation may have an impact on the personal tax position of investors, please check with a tax professional to learn about how this Fund will affect your tax position.

The Alger Funds may be held liable solely on the basis of any statement in this document that is misleading, inaccurate, or inconsistent with the relevant parts of the Fund's Prospectus.

The Fund is registered in the United States with the United States Securities and Exchange Commission. Furthermore the offering of the shares of Alger Small Cap Growth Fund has been notified to the Bundesanstalt für Finanzdienstleistungsaufsicht according to section 139 of the German Investment Act.

This Key Investor Information is accurate and reflects the status as of 20 February 2012.