

ROYCE VALUE TRUST INC  
Form N-CSR  
March 05, 2015

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT  
OF  
REGISTERED MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act File Number: 811-04875

Name of Registrant: Royce Value Trust, Inc.

Address of Registrant: 745 Fifth Avenue  
New York, NY 10151

Name and address of agent for service: John E. Denneen, Esquire  
745 Fifth Avenue  
New York, NY 10151

Registrant's telephone number, including area code: (212) 508-4500

Date of fiscal year end: December 31

Date of reporting period: January 1, 2014 - December 31, 2014



Item 1. Reports to Shareholders.

DECEMBER 31, 2014 **2014 Annual** Review and  
Report to Stockholders

## A Few Words on Closed-End Funds

**Royce & Associates, LLC manages three closed-end funds: Royce Value Trust, which invests primarily in small-cap securities; Royce Micro-Cap Trust, which invests primarily in micro-cap securities; and Royce Global Value Trust, which invests in both U.S. and non-U.S. small-cap stocks.** A closed-end fund is an investment company whose shares are listed and traded on a stock exchange. Like all investment companies, including open-end mutual funds, the assets of a closed-end fund are professionally managed in accordance with the investment objectives and policies approved by the fund's Board of Directors. A closed-end fund raises cash for investment by issuing a fixed number of shares through initial and other public offerings that may include shelf offerings and periodic rights offerings. Proceeds from the offerings are invested in an actively managed portfolio of securities. Investors wanting to buy or sell shares of a publicly traded closed-end fund after the offerings must do so on a stock exchange, as with any publicly traded stock. Shares of closed-end funds frequently trade at a discount to their net asset value. This is in contrast to open-end mutual funds, which sell and redeem their shares at net asset value on a continuous basis.

### A Closed-End Fund Can Offer Several Distinct Advantages

A closed-end fund does not issue redeemable securities or offer its securities on a continuous basis, so it does not need to liquidate securities or hold uninvested assets to meet investor demands for cash redemptions.

In a closed-end fund, not having to meet investor redemption requests or invest at inopportune times can be effective for value managers who attempt to buy stocks when prices are depressed and sell securities when prices are high.

A closed-end fund may invest in less liquid portfolio securities because it is not subject to potential stockholder redemption demands. This is potentially beneficial for Royce-managed closed-end funds, which invest primarily in small- and microcap securities.

The fixed capital structure allows permanent leverage to be employed as a means to enhance capital appreciation potential.

Royce Value Trust and Royce Micro-Cap Trust distribute capital gains on a quarterly basis. Each of these Funds has adopted a quarterly distribution policy for its common stock.

We believe that the closed-end fund structure can be an appropriate investment for a long-term investor who understands the benefits of a more stable pool of capital.

### Why Dividend Reinvestment Is Important

A very important component of an investor's total return comes from the reinvestment of distributions. By reinvesting distributions, our investors can maintain an undiluted investment in a Fund. To get a fair idea of the impact of reinvested distributions, please see the charts on pages 12 and 13. For additional information on the Funds' Distribution Reinvestment and Cash Purchase Options and the benefits for stockholders, please see page 14 or visit our website at [www.roycefunds.com](http://www.roycefunds.com).

### Managed Distribution Policy

The Board of Directors of each of Royce Value Trust and Royce Micro-Cap Trust has authorized a managed distribution policy (MDP). Under the MDP, Royce Value Trust and Royce Micro-Cap Trust pay quarterly distributions at an annual rate of 7% of the average of the prior four quarter-end net asset values, with the fourth quarter being the greater of these annualized rates or the distribution required by IRS regulations. With each distribution, the Fund will issue a notice to its stockholders and an accompanying press release that provides detailed information regarding the amount and composition of the distribution (including whether any portion of the distribution represents a return of capital) and other information required by a Fund's MDP. You should not draw any conclusions about a Fund's investment performance from the amount of distributions or from the terms of a Fund's MDP. A Fund's Board of Directors may amend or terminate the MDP at any time without prior notice to stockholders; however, at this time there are no reasonably foreseeable circumstances that might cause the termination of any of the MDPs.

This page is not part of the 2014 Annual Report to Stockholders

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## Letter to Our Stockholders

### A TALE OF TWO MARKETS

It wasn't the best of times; it wasn't the worst of times. As 2014 began, it all seemed just right, with small-caps easing into the year on a more mutedly bullish note following their extraordinary run in 2013. So relaxed was the pace of returns, and in such stark contrast to the eventful years of 2008-2013, that in our June 30 *Semiannual Review* we remarked on how agreeably peaceful and undramatic it all was. During the year's first six months, inflation was nearly non-existent, most commodity prices were stable, and volatility, as measured by the VIX, reached the end of June at its lowest level since 2007. These factors, along with a sprightly M&A market, looked to us like clear signs of ongoing growth. The case appeared even stronger as the Federal Reserve moved further and further into the background of the U.S. economy. **We were not alone in thinking that the anticipated end of QE ( quantitative easing ) and what looked like an inevitable rise in interest rates would set the stage for a more dynamic pace of economic expansion.** We also thought an extension of the bull market that began off the March 9, 2009 bottom seemed likely, though we were expecting both lower returns and increased volatility.

As it happens, this call was somewhat accurate: the economy did pick up speed in the second half while the bull market rolled on for large-cap stocks. More turbulent, small-caps (along with most Energy stocks) could not keep up. Of course, equity markets simply do not stay undisturbed for long, so the increased volatility in the second half of 2014 was not a surprise. Yet its highly selective reach was puzzling, even allowing for the historically higher volatility exhibited by smaller companies. Shortly after the Russell 2000 Index established a year-to-date high on July 3 (a high that would last into late December), small-cap prices began to fall. They slid most precipitously in July and September and rallied to varying degrees in August, October, November, and December. **The downdrafts were sharper than the upswings, however it took a furious rally in the final two weeks of the year's closing month to shore up a modest positive return for the Russell 2000 in the second half.** Meanwhile, the S&P 500 and Russell 1000 Indexes lost comparatively little in those two bearish months and posted solid gains during the other four. The upshot was such a strong year for large-cap companies that 2014 was the ninth-largest calendar-year spread between the Russell 2000 and the S&P 500 in the 36-year history of the small-cap index.

What, then, to make of a year in which the Russell 2000 posted a relatively undistinguished single-digit gain of 4.9%, ceded leadership to its larger siblings, and still bested most actively managed small-cap portfolios? A few developments in particular stood out. First, the rotation in leadership from small-cap to large in 2014 looked very much like a classic case of reversion to the mean to us. The former led the market decisively from the bottom in March of 2009 through the end of 2013, a prolonged period of small-cap leadership that made a shift all but inevitable. The second trend was more worrisome. Within small-cap, more economically cyclical sectors continued to lag in spite of the growing economy. The same held true for what we define as quality companies—those with strong balance sheets and high returns on invested capital. Even with the economy accelerating, investors tended to ignore profitable companies with solid fundamentals while they continued to be

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## LETTER TO OUR STOCKHOLDERS

drawn more to defensive and/or high-growth areas. This included utilities and REITs among the highly successful defensive areas of 2014, and social media, biotech, and pharmaceuticals among the speedy growth industries. In most instances, companies in these sectors and industries do not satisfy our purchase criteria because they lack the combination of balance-sheet strength and a long-term history of profitability that we find most attractive. Volatility as an ally, agreeing with Warren Buffett's statement: Look at market fluctuations as your friend rather than your enemy; profit from folly rather than participate in it. So while many investors think of volatility as being synonymous (or nearly so) with risk or even loss, we have never seen it that way. Instead, we try to take advantage of market movements – an essential skill for any successful active manager. **Those times when the market cannot seem to make up its mind are exactly when securities tend to be most mispriced. And therein lies one of the keys to outperformance for active managers – the identification and purchase of mispriced securities.** Even with the economy accelerating, investors tended to ignore profitable companies with solid fundamentals while they continued to be drawn more to defensive and/or high-growth areas. While many investors think of volatility as being synonymous (or nearly so) with risk or even loss, we have never seen it that way.

We were hopeful that the end of QE (along with rising rates) would help to reverse this trend. But the strengthening U.S. dollar and monetary stimulus efforts in Japan and Europe conspired to make the October conclusion of QE something of a non-event, while interest rates fell through most of the year. On the whole, then, 2014 was an often confounding period for us, especially its second half. Indeed, if there is a theme that best captures the year, it might be A Tale of Two Markets. **And we should point out that Dickens's rubric covers not just the very different halves of the year for small-cap stocks but also the disparity in results and volatility between small-caps and their bigger siblings.** (More index returns can be found in the table below.)

We conducted research that looked at some of the market forces that have helped to shape the current cycle, in particular the years from 2011-2014 when many active approaches struggled on a relative basis. (The full results of this research are available on our website at [www.roycefunds.com/4qresearch](http://www.roycefunds.com/4qresearch).) As we have previously argued, the Fed's easy-money policies of QE and ZIRP (zero-interest rates) have had the unintentional effect of stoking appetites for high yield and creating too few (if any) consequences for companies carrying a lot of debt. This led many investors to relatively neglect businesses with more pristine balance sheets and/or those with steady but smaller dividends. **It also meant that from the beginning of 2011 through the end of 2014, the small-cap market was in a peculiar state, one characterized by a pile-up of anomalies – the combination of declining volatility with higher-than-average returns converging with contracting credit spreads.**

**VOLATILITY – OUR MUTUAL FRIEND** Yet the level of conviction in our value-oriented approaches remains high. Although it may seem counterintuitive (or worse), the current extended period of relative underperformance for many Royce-managed portfolios actually helps to fuel our confidence in the years to come. Let us explain why. First, we have always viewed

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## Equity Indexes

As of December 31, 2014 (%) The third quarter was the worst for the Russell 2000 since 9/30/11 and, relative to the S&P 500, was the index's worst quarterly performance since 3/31/99. It also ended a streak of eight consecutive quarters of positive performance. Small-caps rallied in October and December to outpace their large-cap counterparts in the fourth quarter. 2014 marked just the fifth time since its inception in 1979 that the Russell 2000 had a gain in the single digits (+4.9%). Small-caps trailed large-caps by the widest margin since 1998. Within the Russell 2000, Health Care, Utilities, and REITs were the best-performing areas in 2014 while Energy was by far the largest detractor.

	3Q14	4Q14	1-YR	3-YR	5-YR	10-YR
Russell 2000	-7.36	9.73	4.89	19.21	15.55	7.77
S&P 500	1.13	4.93	13.69	20.41	15.45	7.67
Russell 1000	0.65	4.88	13.24	20.62	15.64	7.96
Nasdaq Composite	1.93	5.40	13.40	22.05	15.85	8.09
Russell Midcap	-1.66	5.94	13.22	21.40	17.19	9.56
Russell Microcap	-8.21	11.19	3.65	21.81	16.14	5.96
Russell Global ex-U.S. Small Cap	-6.21	-4.45	-3.63	10.31	6.40	6.65
Russell Global ex-U.S. Large Cap	-5.35	-3.72	-3.57	9.41	4.80	5.36

1Not annualized For details on The Royce Funds' performance in the period, please turn to the Managers' Discussions that begin on page 8. This page is not part of the 2014 Annual Report to Stockholders | 3

## LETTER TO OUR STOCKHOLDERS

Needless to say, our risk-conscious, balance-sheet-centric approaches have been challenged in this setting, at least on a relative basis. Low volatility has arguably created the highest hurdle. We have always felt most comfortable in markets with higher levels of volatility, which usually create the differentiation that lies at the core of our active management styles. We analyze, assess, and evaluate multiple aspects of a company before determining whether or not the current stock price reflects the long-term prospects we see. Opportunities to purchase what we deem to be attractively undervalued companies tend to proliferate when stock prices are volatile rather than when markets are calm. Yet for most of the last four years, volatility has been falling, at least until the second half of 2014. This has made it far more difficult for our funds to outpace their respective benchmarks.

## GREAT EXPECTATIONS

The questions are: How much longer is this going to last? More specifically, are interest rates going to remain at or near zero? Is the pace of economic growth likely to slacken? Are financial markets going to continue to behave atypically even as the economy continues to normalize? Will small-cap companies indefinitely gain an advantage by carrying more debt? Are three- and five-year average annual total returns for the Russell 2000 going to remain at levels higher than the index's historical monthly rolling averages of 8.2% and 7.6%, respectively? For those who believe that most, or even some, of these things are likely to happen, then our approach would seem a bit at odds.

We confess that we have been anticipating some of these shifts for nearly two years. This has meant re-learning the hard lesson that change seldom occurs when we most want it to. Yet we are convinced that markets remain cyclical (recent events notwithstanding). **In our view, reversion to the mean is as close to an iron law as the capital markets allow. Most trends reverse, though they may linger for longer than initially anticipated (or desired).** Widening credit spreads, increasing volatility, and decreasing stock correlation should all help active management and allow stock pickers the chance to emerge as performance leaders.

We also expect equity returns to remain attractive, though we see a decrease from the high levels we have seen over the last three to five years. Cyclical companies appear due for a round of revenue acceleration, particularly those in the Consumer Discretionary and Industrials sectors, as do some industries in the Information Technology sector. The best-managed companies within these areas could also see solid margin expansion. Among other cyclical sectors, we also see a number of profitable, conservatively capitalized businesses that have either been ignored or whose returns have lagged. We expect this to change.

On the valuation front, the picture looked admittedly tricky at the end of 2014. For example, an examination of trailing 12-month earnings for many companies suggests that small-cap share prices may be on the high side. But if you believe, as we do, that the economy is going to keep growing, that credit spreads will continue to expand, and that a more robust CAPEX cycle is in the offing, then valuations seem pretty reasonable, if not attractive in certain areas, Energy in particular. Many stocks look fairly valued though not fully valued to us. So while we do not shrink from the sobering truth of relative underperformance through much of this now-long bullish cycle, we continue to see good times ahead for our risk-conscious, fundamentally based approach.

While we do not shrink from the sobering truth of relative underperformance through much of this now-long bullish cycle, we continue to see good times ahead for our risk-conscious, fundamentally based approach.

The argument that we have been making for more than four decades remains the same. Small-cap is an inefficient area of the market in which we search for qualitative advantages and valuation discrepancies. Our belief that fundamentally strong companies trading at discounts to their private worth can outperform over the long term, often with lower volatility, will not change. It is our core investment principle, and it has



served us very, very well over most of the last 40+ years.

Sincerely,

Charles M. Royce Christopher D. Clark Francis D. Gannon *Chairman and Chief Executive Officer, President and Co-Chief Investment Officer, Co-Chief Investment Officer, Royce & Associates, LLC Royce & Associates, LLC Royce & Associates, LLC* January 26, 2015

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LETTER TO OUR STOCKHOLDERS **Performance**

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**NAV Average Annual Total Returns**

As of December 31, 2014 (%)

FUND	1-YR	3-YR	5-YR	10-YR	15-YR	20-YR	25-YR	SINCE INCEPTION	INCEPTION DATE	Royce Value Trust	0.78						
15.98	12.82	6.94	9.29	10.84	10.84	10.74	11/26/86	Royce Micro-Cap Trust	3.55	20.64	15.81	8.15	10.97	11.85			
n.a.	11.50	12/14/93	Royce Global Value Trust	-6.23	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-3.03	10/17/13	<b>INDEX</b>				
n.a.	n.a.	n.a.	Russell 2000	4.89	19.21	15.55	7.77	7.38	9.63	9.75	n.a.	n.a.	Russell Microcap	3.65	21.81	16.14	5.96
n.a.	n.a.	n.a.	Russell Global Small Cap	-0.28	13.57	9.56	6.87	6.88	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

**Important Performance and Risk Information**

All performance information in this *Review and Report* reflects past performance, is presented on a total return basis, and reflects the reinvestment of distributions. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate, so that shares may be worth more or less than their original cost when sold. Current performance may be higher or lower than performance quoted. Current month-end performance may be obtained at [www.roycefunds.com](http://www.roycefunds.com). The Funds are closed-end registered investment companies whose respective shares of common stock may trade at a discount to the net asset value. Shares of each Fund's common stock are also subject to the market risk of investing in the underlying portfolio securities held by each Fund. Certain immaterial adjustments were made to the net assets of Royce Global Value Trust at 12/31/14 and Royce Micro-Cap Trust at 12/31/12, as well as 12/31/14, for financial reporting purposes, and as a result the net asset value originally calculated on that date and the total return based on that net asset value differs from the adjusted net asset value and total return reported in the Financial Highlights. All indexes referenced are unmanaged and capitalization-weighted. Each index's returns include net reinvested dividends and/or interest income. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group. The Russell 2000 Index is an index of domestic small-cap stocks that measures the performance of the 2,000 smallest publicly traded U.S. companies in the Russell 3000 Index. The Russell Microcap Index includes 1,000 of the smallest securities in the small-cap Russell 2000 Index, along with the next smallest eligible securities as determined by Russell. The Russell Global Small Cap Index is an unmanaged, capitalization-weighted index of global small-cap stocks. The performance of an index does not represent exactly any particular investment, as you cannot invest directly in an index. Index returns include net reinvested dividends and/or interest income. Royce Value, Micro-Cap and Global Value Trust shares of common stock trade on the NYSE. Royce Fund Services, Inc ( RFS ) is a member of FINRA and has filed this *Review and Report* with FINRA on behalf of each Fund. RFS is not an underwriter or distributor of any of the Funds.

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## MANAGER'S DISCUSSION

**Royce Value Trust****Chuck Royce**

**FUND PERFORMANCE** In what was a solid year for small-caps overall, we were disappointed that Royce Value Trust ( RVT ) was unable to keep pace on a relative scale. **The Fund was up 0.8% on an NAV (net asset value) basis and 0.9% on a market price basis in 2014 versus respective gains of 4.9% and 5.7% for its small-cap benchmarks, the Russell 2000 and the S&P 600 Indexes, for the same period.**

Equally frustrating was the fact that RVT was more competitive for the six-month period ended June 30, 2014, in which it outperformed both the Russell 2000 and S&P 600's 3.2% advance on a market price basis (+3.9%) and narrowly lagged on a NAV basis (+3.0%). Unlike the first half of the year when equity returns were placid yet decidedly bullish, the last six months were a more volatile period for small-caps. Historically, the Fund has exhibited an ability to hold more value than its benchmarks during down markets. However, this was not the case in the third quarter of 2014, when RVT fell 7.5% on a NAV basis and 7.4% on a market price basis. (The Russell 2000 lost 7.4% and the S&P 600 lost 6.7%.) The Fund's relative performance woes would continue into the fourth quarter, though its absolute results were respectable. During this period small-caps had a prominent upward bias, especially in the last few weeks of December when they rallied to finish the year well in the black. RVT gained 5.8% on an NAV basis and 4.9% on a market price basis while the Russell 2000 advanced 9.7% and the S&P 600 climbed 9.8%. Despite the Fund's near- and intermediate-term struggles, we remain proud of RVT's longer-term performance. On an NAV and market price basis, RVT outperformed the Russell 2000 for the 15-, 20-, 25-year, and since inception (11/26/86) periods ended December 30, 2014. **The Fund's average annual NAV total return since inception was 10.7%. WHAT WORKED... AND WHAT DIDN'T** Six of the Fund's 10 equity sectors posted net gains in 2014, with Information Technology leading the list by a solid margin. Health Care also made a sizable contribution to performance at the sector level, followed by a modest net gain for Financials. The top contributor to first-half performance, Idenix Pharmaceuticals focuses on the development of drugs for the treatment of infections caused by HIV, hepatitis B, and hepatitis C. In early June, news of pharmaceutical giant Merck's acquisition of the company helped the stock price to more than triple. By the middle of the month we had sold our stake. RVT also benefited from IT services company Sapient Corporation's takeout by French advertising giant Publicis Groupe in early November. A long-time holding in the portfolio, Sapient provides integrated management consulting services, Internet commerce solutions, and systems implementation services. While the acquisition confirmed Sapient's value and the increasing importance (and share gains) of digital marketing for more traditional advertising businesses, the company's valuation exceeded our sell targets and we sold our shares shortly after the announcement. Miami-based technology consulting firm The Hackett Group provides executive advisory programs, best practice research, and benchmarking services. Its stock price was generally flat for much of 2014 until the company announced third-quarter earnings that topped Wall Street expectations in early November. We took some gains in early December and decided to hold our position.

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Conversely, net losses from Industrials, Energy, and Materials detracted from 2014 performance. Three of RVT's top detractors came from the Industrials sector, including Houston-based engineering and construction firm KBR. Further execution delivery issues on several fixed-price projects, as well as a decline in bookings and cautious commentary regarding possible delays in oil and gas work in light of the oil price decline, continued to weigh on results. Later in the quarter, the company's relatively new CEO unveiled a restructuring plan after strategic review of the business that includes streamlining operations and reducing overhead costs, refocusing on core E&C areas where it has had traditional strength, and exiting four non-core businesses. Bullish on the company's prospects and an eventual turnaround in Energy, we last added to our position in mid-December. It was a top-40 holding at year end. Persistent weakness in the mining sector continued to stifle a sustained return to organic sales growth for cutting tools manufacturer Kennametal. Having some exposure to the oil and gas drilling market created some near-term headwinds for its business. Interested to hear what initial strategic priorities the company's recently appointed CEO may implement, we held on to our remaining shares after trimming a bit in April, October, and November.

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**Top Contributors to Performance For 2014 (%)**<sup>1</sup> Idenix Pharmaceuticals 0.44 Sapient Corporation 0.31 Hackett Group (The) 0.29 Nautilus 0.29 Mechanics Bank 0.21 <sup>1</sup> Includes dividends

**Top Detractors from Performance For 2014 (%)**<sup>2</sup> KBR -0.31 Kennametal -0.24 Steel Excel -0.23 Raven Industries -0.22 Qalaa Holdings -0.19 <sup>2</sup> Net of dividends

**CURRENT POSITIONING AND OUTLOOK** We remain overweight in more economically sensitive areas such as Industrials and Information Technology. Despite recent headwinds in Energy, we believe the U.S. economy is still growing (albeit slowly), credit spreads will continue to expand, and that increasing volatility and decreasing stock correlation can help stock pickers to emerge as performance leaders.

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### PERFORMANCE AND PORTFOLIO REVIEW SYMBOLS MARKET PRICE RVT NAV XRVTX

<b>Performance</b>		Average Annual Total Return (%) Through 12/31/14		<b>JUL-DEC 2014*</b>	<b>1-YR</b>	<b>3-YR</b>	<b>5-YR</b>						
<b>10-YR</b>	<b>15-YR</b>	<b>20-YR</b>	<b>25-YR</b>	<b>SINCE INCEPTION (11/26/86)</b>	RVT (NAV)	-2.15	0.78	15.98	12.82	6.94	9.29	10.84	10.84
10.74													

\*Not Annualized

### Market Price Performance History Since Inception (11/26/86)

Cumulative Performance of Investment through 12/31/141

<b>1-YR</b>	<b>5-YR</b>	<b>10-YR</b>	<b>15-YR</b>	<b>20-YR</b>	<b>SINCE INCEPTION (11/26/86)</b>	RVT	0.9%	92.4%	60.0%	305.4%	679.2%	1361.9%
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<sup>1</sup> Reflects the cumulative performance of an investment made by a stockholder who purchased one share at inception (\$10.00 IPO), reinvested all distributions and fully participated in primary subscriptions of the Fund's rights offerings. <sup>2</sup> Reflects the actual month-end market price movement of one share as it has traded on the NYSE.

### Morningstar Style Map™ As of 12/31/14

The **Morningstar Style Map** is the **Morningstar Style Box**™ with the center 75% of fund holdings plotted as the **Morningstar Ownership Zone**™. The Morningstar Style Box is designed to reveal a fund's investment strategy. The Morningstar Ownership Zone provides detail about a portfolio's investment style by showing the range of stock sizes and styles. The Ownership Zone is derived by plotting each stock in the portfolio within the proprietary Morningstar Style Box. Over time, the shape and location of a fund's ownership zone may vary. See page 60 for additional information.

### Portfolio Diagnostics

Fund Net Assets \$1,232 million Number of Holdings 567 Turnover Rate 40% Net Asset Value \$16.24 Market Price \$14.33 Average Market Capitalization<sup>1</sup> \$1,289 million Weighted Average P/E Ratio<sup>2,3</sup> 19.7x Weighted Average P/B Ratio<sup>2</sup> 1.8x Holdings ≥ 75% of Total Investments 182 Active Share<sup>4</sup> 88% U.S. Investments (% of Net Assets) 84.9% Non-U.S. Investments (% of Net Assets) 18.0% <sup>1</sup> **Geometric Average.** This weighted calculation uses each portfolio holding's market cap in a way designed to not skew the effect of very large or small holdings; instead, it aims to better identify the portfolio's center, which Royce believes offers a more accurate measure of average market cap than a simple mean or median. <sup>2</sup> **Harmonic Average.** This weighted calculation evaluates a portfolio as if it were a single stock and measures it overall. It compares the total market value of the portfolio to the portfolio's share in the earnings or book value, as the case may be, of its underlying stocks. <sup>3</sup> The Fund's P/E ratio calculation excludes companies with zero or negative earnings (12% of portfolio holdings as of 12/31/14). <sup>4</sup> **Active Share** is the sum of the absolute values of the different weightings of each holding in the Fund versus each holding in the benchmark, divided by two.

### Calendar Year Total Returns (%)

<b>YEAR</b>	<b>RVT (NAV)</b>	2014	0.8	2013	34.1	2012	15.4	2011	-10.1	2010	30.3	2009	44.6	2008	-45.6	2007	5.0	2006	19.5	2005	8.4	2004	21.4	2003	40.8	2002	-15.6	2001	15.2	2000	16.6
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### Top 10 Positions

% of Net Assets	HEICO Corporation	1.5	Ritchie Bros. Auctioneers	1.0	Hackett Group (The)	0.9	On Assignment	0.9	Newport Corporation	0.9	Forward Air	0.9	SEACOR Holdings	0.8	Nautilus	0.8	Tejon Ranch	0.8	Woodward	0.8
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**Portfolio Sector Breakdown** % of Net Assets      Industrials 29.9    Information Technology 20.6    Financials 15.7  
 Consumer Discretionary 11.8    Materials 7.5    Health Care 5.9    Energy 3.6    Consumer Staples 2.2    Telecommunication  
 Services 0.7    Miscellaneous 4.9    Preferred Stock 0.1    Outstanding Line of Credit, Net of Cash and Cash Equivalents -2.9

**Important Performance and Risk Information** All performance information reflects past performance, is presented on a total return basis, and reflects the reinvestment of distributions. Past performance is no guarantee of future results. Current performance may be higher or lower than performance quoted. Returns as of the most recent month-end may be obtained at [www.roycefunds.com](http://www.roycefunds.com). The market price of the Fund's shares will fluctuate, so that shares may be worth more or less than their original cost when sold. The Fund invests primarily in securities of small- and micro-cap companies, which may involve considerably more risk than investing in larger-cap companies. The Fund's broadly diversified portfolio does not ensure a profit or guarantee against loss. Regarding the Top Contributors and Top Detractors tables shown on page 6, the sum of all contributors to, and all detractors from, performance for all securities in the portfolio would approximate the Fund's performance for 2014. 2014 Annual Report to Stockholders | 7

MANAGER'S DISCUSSION

## Royce Micro-Cap Trust

### Chuck Royce

**FUND PERFORMANCE** Royce Micro-Cap Trust ( RMT ) gained 3.5% on an NAV (net asset value) basis and 3.1% on a market price basis in 2014, trailing its benchmarks, the Russell 2000 Index and Russell Microcap Index, which had respective returns of 4.9% and 3.6% for the same period. We were frustrated that RMT gave up its first-half advantage, a period in which RMT advanced 3.1% on an NAV basis and 3.9% on a market price basis compared to the small-cap index's 3.2% advance and the Russell Microcap's 1.6% advance. Following a small-cap high on July 3, small-caps entered a volatile phase that saw July and September in the red. RMT outperformed both benchmarks for the third quarter as a whole, losing 7.1% on an NAV basis and 4.8% on a market price basis against the Russell 2000's 7.4% decline and the Russell Microcap's 8.2% decrease. The Fund's absolute performance in the fourth quarter was fine, though RMT was short of both indexes during this bullish swing. During the final quarter of the year, RMT was up 8.2% on an NAV basis and 4.2% on a market price basis, falling behind respective increases of 9.7% and 11.2% for the Russell 2000 and Russell Microcap. We were pleased with the Fund's absolute and relative performance results over longer-term periods. On an NAV basis, RMT outperformed the Russell 2000 for the three-, five-, 10-, 15-, 20-year, and since inception (12/14/93) periods ended December 31, 2014. RMT also outperformed the Russell Microcap on an NAV basis during the 10-year period. (Data for the Russell Microcap only goes back to June 2000.) On a market price basis, the Fund bested the Russell 2000 for the three-, five-, 15-, 20-year, and since inception periods and beat the Russell Microcap for the five- and 10-year periods. **RMT's average annual NAV total return for the since inception period was 11.5%, a long-term performance record that gives us great pride.** **WHAT WORKED... AND WHAT DIDN'T** Seven of the Fund's 10 equity sectors made a positive impact on 2014 performance. Health Care was RMT's largest contributor by more than 160 basis points, followed by Consumer Discretionary and Information Technology. Energy and Industrials were the Fund's largest detractors, with Materials posting modest net losses. A developer of drugs for the treatment of infections caused by HIV, hepatitis B, and hepatitis C, Idenix Pharmaceuticals was a take-out target by pharmaceutical giant Merck in early June. News of the acquisition helped triple the company's stock price, and we gradually sold our stake by the middle of the month. We also sold our shares of Medical Action Industries in June. A Virginia-based manufacturer and distributor of disposable medical products, including operating room supplies, custom procedure trays, sterilizing products, and patient apparel, Medical Action Industries was acquired by Owens & Minor for a 95% premium. Outside of Health Care, long-time holding and a top contributor to first-half performance Rentrak Corporation is a digital media measurement and research company that serves the entertainment, television, and advertising industries. Its share price began to really take off in early September. Investors seemed to like the healthy revenue growth and optimistic outlook the company reported in June. The company cemented a deal to expand its alliance with ABC while also establishing new agreements with CBS and Fox. In October, the firm announced its purchase of Kantar Media, the U.S. television measurement arm of advertising conglomerate WPP. In addition, Rentrak acquired new patents that solidified its position as a leading viewership data provider. We started reducing our position in October. Computer Task Group is an IT services and staffing company. Its stock price began to decline steeply in early July after reporting lower-than-expected earnings largely due to higher costs and lower revenues from its healthcare business. While the company claimed these higher expenses were likely anomalous, it also boosted its projected medical costs for the rest of 2014, thus revising guidance downward. Heritage-Crystal Clean provides parts cleaning, used oil re-refining, and hazardous and non-hazardous waste services to small and mid-sized customers in the manufacturing and vehicle service industries. Its shares took a hit in December when the firm announced that it was issuing more stock to pay down debt incurred to make two recent acquisitions. We added shares in the hope of a rebound. Earnings misses hindered the performance of Sioux Falls-based Raven Industries. Softening demand for agricultural equipment put pressure on its shares.

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**Top Contributors to Performance** For 2014 (%)<sup>1</sup> Rentrak Corporation 0.79 Idenix Pharmaceuticals 0.66 Medical Action Industries 0.56 Universal Electronics 0.49 Integrated Electrical Services 0.42 <sup>1</sup> Includes dividends

**Top Detractors from Performance** For 2014 (%)<sup>2</sup> Computer Task Group -0.36 Heritage-Crystal Clean -0.33 Raven Industries -0.31 Le Chateau Cl. A -0.28 Cache -0.26 <sup>2</sup> Net of dividends

**CURRENT POSITIONING AND OUTLOOK** We remain overweight in economically sensitive cyclical sectors such as Industrials, Information Technology, and Consumer Discretionary areas where we have seen a number of profitable, conservatively capitalized businesses trading at attractive valuations. As the U.S. economy continues to grow and normalize, we believe fundamentals will matter more to investors, especially in an inefficient asset class such as micro-cap.

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### PERFORMANCE AND PORTFOLIO REVIEW SYMBOLS MARKET PRICE RMT NAV XOTCX

Performance		Average Annual Total Return (%) Through 12/31/14				JUL-DEC 2014*				1-YR	3-YR		
5-YR	10-YR	15-YR	20-YR	SINCE INCEPTION (12/14/93)	RMT (NAV)	0.47	3.55	20.64	15.81	8.15	10.97	11.85	11.50
*Not Annualized													

### Market Price Performance History Since Inception (12/14/93)

Cumulative Performance of Investment<sup>1</sup>

1-YR	5-YR	10-YR	15-YR	20-YR	SINCE INCEPTION (12/14/93)	RMT	3.1%	123.6%	83.1%	418.0%	803.9%	754.0%
------	------	-------	-------	-------	----------------------------	-----	------	--------	-------	--------	--------	--------

<sup>1</sup> Reflects the cumulative performance experience of a continuous common stockholder who purchased one share at inception (\$7.50 IPO), reinvested all distributions and fully participated in the primary subscription of the Fund's 1994 rights offering. <sup>2</sup> Reflects the actual month-end market price movement of one share as it has traded on NYSE and, prior to 12/1/03, on the Nasdaq.

### Morningstar Style Map<sup>TM</sup> As of 12/31/14

The **Morningstar Style Map** is the **Morningstar Style Box<sup>TM</sup>** with the center 75% of fund holdings plotted as the **Morningstar Ownership Zone<sup>TM</sup>**. The Morningstar Style Box is designed to reveal a fund's investment strategy. The Morningstar Ownership Zone provides detail about a portfolio's investment style by showing the range of stock sizes and styles. The Ownership Zone is derived by plotting each stock in the portfolio within the proprietary Morningstar Style Box. Over time, the shape and location of a fund's ownership zone may vary. See page 60 for additional information.

### Portfolio Diagnostics

Fund Net Assets \$387 million Number of Holdings 387 Turnover Rate 41% Net Asset Value \$11.34 Market Price \$10.08 Average Market Capitalization<sup>1</sup> \$348 million Weighted Average P/E Ratio<sup>2,3</sup> 19.6x Weighted Average P/B Ratio<sup>2</sup> 1.6x Holdings ≥ 75% of Total Investments 160 Active Share<sup>4</sup> 94% U.S. Investments (% of Net Assets) 98.2% Non-U.S. Investments (% of Net Assets) 11.5% <sup>1</sup> **Geometric Average.** This weighted calculation uses each portfolio holding's market cap in a way designed to not skew the effect of very large or small holdings; instead, it aims to better identify the portfolio's center, which Royce believes offers a more accurate measure of average market cap than a simple mean or median. <sup>2</sup> **Harmonic Average.** This weighted calculation evaluates a portfolio as if it were a single stock and measures it overall. It compares the total market value of the portfolio to the portfolio's share in the earnings or book value, as the case may be, of its underlying stocks. <sup>3</sup> The Fund's P/E ratio calculation excludes companies with zero or negative earnings (23% of portfolio holdings as of 12/31/14). <sup>4</sup> **Active Share** is the sum of the absolute values of the different weightings of each holding in the Fund versus each holding in the benchmark, divided by two.

### Calendar Year Total Returns (%)

YEAR	RMT (NAV)	2014	3.5	2013	44.5	2012	17.3	2011	-7.7	2010	28.5	2009	46.5	2008	-45.5	2007	0.6	2006	22.5	2005	6.8	2004	18.7	2003	55.5	2002	-13.8	2001	23.4	2000	10.9
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### Top 10 Positions

% of Net Assets	Newport Corporation	1.2	Integrated Electrical Services	1.1	FRP Holdings	1.1	Atrion Corporation	1.1	Seneca Foods	1.0	Permian Basin Royalty Trust	1.0	Diamond Hill Investment Group	1.0	Universal Truckload Services	1.0	MVC Capital	1.0	Silvercrest Asset Management Group Cl. A	0.9
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**Portfolio sector Breakdown** % of Net Assets  
 Industrials 23.1 Information Technology 23.0 Consumer Discretionary 18.9 Financials 18.0 Health Care 10.4 Materials 6.9 Energy 2.4 Consumer Staples 1.8 Utilities 0.0 Miscellaneous 4.9 Preferred Stock 0.3 Outstanding Line of Credit, Net of Cash and Cash Equivalents -9.7

**Important Performance and Risk Information** All performance information reflects past performance, is presented on a total return basis, and reflects the reinvestment of distributions. Past performance is no guarantee of future results. Current performance may be higher or lower than performance quoted. Returns as of the most recent month-end may be obtained at [www.roycefunds.com](http://www.roycefunds.com). Certain immaterial adjustments were made to the net assets of Royce Micro-Cap Trust at 12/31/12 and 12/31/14 for financial reporting purposes, and as a result the net asset value originally calculated on that date and the total return based on that net asset value differs from the adjusted net asset value and total return reported in the Financial Highlights. The market price of the Fund's shares will fluctuate, so that shares may be worth more or less than their original cost when sold. The Fund normally invests in micro-cap companies, which may involve considerably more risk than investing in larger-cap companies. The Fund's broadly diversified portfolio does not ensure a profit or guarantee against loss. Regarding the Top Contributors and Top Detractors tables shown on page 8, the sum of all contributors to, and all detractors from, performance for all securities in the portfolio would approximate the Fund's performance for 2014.

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MANAGER'S DISCUSSION

## Royce Global Value Trust

**Chuck Royce**

**FUND PERFORMANCE** Royce Global Value Trust ( RGT ) fell 6.2% on an NAV (net asset value) basis and 7.9% on a market price basis in 2014, results that considerably trailed its benchmark, the Russell Global Small Cap Index, which lost 0.3% for the same period.

The Fund's difficulties on both a relative and absolute basis were mostly attributable to a poor second half. The year began on a solidly bullish note. For the six-month period ended June 30, 2014 RGT climbed 5.6% on an NAV basis and 5.8% on a market price basis, essentially sandwiching its benchmark, which was up 5.7% for the same period. A strengthening Europe helped to compensate for a generally less robust Asia during the first few months of 2014. There were notable contributions from portfolio holdings in Canada, France, and Japan in the first half as well as trouble spots for positions headquartered in Hong Kong and the U.S.

Stocks across the globe corrected (with the exception of U.S. large-caps) in the third quarter, with European shares among the most adversely affected. The Fund lost 7.1% on an NAV basis and 7.4% on a market price basis versus a decline of 6.7% for the Russell Global Small Cap Index. Portfolio holdings headquartered in the U.S., Canada, Hong Kong, and France were the largest detractors from quarterly results.

Unfortunately, the Fund fell farther behind in the fourth quarter, a period in which U.S. small-caps rallied off a mid-October low while many non-U.S. companies saw additional losses or treaded water. For the fourth quarter, the Fund was down 4.4% on an NAV basis and 6.0% based on market price compared to a 1.1% increase for its global benchmark. In contrast to the third quarter, holdings headquartered in Japan, Brazil, and the U.K. had the most significant negative impact. While we were not pleased with the Fund's thus-far brief since inception (10/17/13) results, we are confident that our disciplined, value-oriented approach can be successful.

**WHAT WORKED... AND WHAT DIDN'T** For the full year, those countries with the greatest positive impact were South Africa, Argentina, and the Philippines while holdings headquartered in Hong Kong, the U.S., the U.K., and Brazil detracted most from RGT's calendar-year results. On a sector basis, only Information Technology and Consumer Staples finished 2014 in the black, though their respective net gains were modest. Industrials posted the largest net losses, nearly doubling the negative impact of the Fund's next-biggest loser, Materials. The Consumer Discretionary sector also registered a decent-sized net loss for the year. BBVA Banco Frances is one of Argentina's largest banks. Its strong revenue growth and terrific history of earnings per share growth helped to reassure investors otherwise anxious over the nation's recent debt woes. We reduced our position as its stock price climbed. We chose to hold our position in food distribution business Universal Robina, one of the largest food companies in the Philippines. Improved domestic and international sales helped to move its shares higher.

## Edgar Filing: ROYCE VALUE TRUST INC - Form N-CSR

LPS Brasil Consultoria de Imoveis provides integrated solutions in the real estate brokerage industry as well as consulting and financing promotion services in Brazil. A weak real estate market and depressed consumer sentiment contributed to the company's fading share price, which was also hampered by Brazil's overall sluggish economy. Not entirely sure of the timing for a turnaround, we began to reduce our stake in September. We were more confident in the long-term prospects for retailer New World Department Store China. We like how the company is positioned for a pick-up in the Chinese economy as well as its management and very generous dividend policy. LPKF Laser & Electronics develops specialized mechanical engineering products for electronics production, the automotive industry, and the manufacture of solar cells. A revised outlook for 2014 kept investors selling, but we believe the case for long-term growth remained intact. Its financing is solid and its profitability remains above-average, despite the recent revenue downturn. We think it can resume growth in 2015. Freund Corporation manufactures and sells granulation and coating equipment for the pharmaceutical, food, and chemical industries in Japan and internationally. Contracting demand for equipment shipments, surging prices in raw materials, and a rise in operating expenses all hurt its stock price. We added shares in the first half. The strength of the U.S. dollar was also a factor in the performance of non-U.S. holdings.

**Top Contributors to Performance** For 2014 (%)<sup>1</sup> BBVA Banco Frances ADR 0.49 Universal Robina 0.46 Relo Holdings 0.42 Shimano 0.38 Regent Manner International Holdings 0.31 <sup>1</sup> Includes dividends

**Top Detractors from Performance** For 2014 (%)<sup>2</sup> LPS Brasil Consultoria de Imoveis -0.58 New World Department Store China -0.57 LPKF Laser & Electronics -0.54 Freund Corporation -0.41 Pico Far East Holdings -0.39 <sup>2</sup> Net of dividends

**CURRENT POSITIONING AND OUTLOOK** The Fund invests in a broadly diversified portfolio of both U.S. and non-U.S. small-cap stocks. At the end of 2014, RGT was overweight in cyclical sectors such as Consumer Discretionary and Industrials. We significantly added to our exposure in the latter during 2014. The portfolio also had reasonable exposure to Financials and Information Technology. The former group was underweight versus the benchmark, but was built up considerably in 2014. The Fund's sector weightings reflect our belief in the recovery of global economic growth.

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### PERFORMANCE AND PORTFOLIO REVIEW SYMBOLS MARKET PRICE RGT NAV XRGTX

Performance	Average Annual Total Return (%) Through 12/31/14	JUL-DEC 2014*	1-YR SINCE INCEPTION
(10/17/13) RGT (NAV)	-11.18 -6.23 -3.03	*Not Annualized	

### Morningstar Style Map<sup>TM</sup> As of 12/31/14

The **Morningstar Style Map** is the **Morningstar Style Box<sup>TM</sup>** with the center 75% of fund holdings plotted as the **Morningstar Ownership Zone<sup>TM</sup>**. The Morningstar Style Box is designed to reveal a fund's investment strategy. The Morningstar Ownership Zone provides detail about a portfolio's investment style by showing the range of stock sizes and styles. The Ownership Zone is derived by plotting each stock in the portfolio within the proprietary Morningstar Style Box. Over time, the shape and location of a fund's ownership zone may vary. See page 60 for additional information.

**Top 10 Positions** % of Net Assets Pico Far East Holdings 1.5 Ritchie Bros. Auctioneers 1.5 Lazard Cl. A 1.5 Relo Holdings 1.5 EPS Corporation 1.4 Clarkson 1.4 Silverlake Axis 1.4 Consort Medical 1.3 CETIP - Mercados Organizados 1.3 TGS-NOPEC Geophysical 1.2

**Portfolio Sector Breakdown** % of Net Assets Industrials 22.3 Financials 19.6 Consumer Discretionary 17.5 Materials 14.2 Information Technology 13.5 Health Care 7.3 Energy 3.2 Consumer Staples 2.7 Other Net Liabilities -0.3

**Calendar Year Total Returns (%)** YEAR RGT (NAV) 2014 -6.2

**Portfolio Country Breakdown<sup>1,2</sup>** % of Net Assets United States 14.8 Japan 11.0 Hong Kong 10.0 United Kingdom 9.6 Canada 7.9 France 6.8 South Africa 5.1 Brazil 3.8 <sup>1</sup> Represents countries that are 3% or more of net assets. <sup>2</sup> Securities are categorized by the country of their headquarters.

**Portfolio Diagnostics** Fund Net Assets \$95 million Number of Holdings 229 Turnover Rate 43% Net Asset Value \$9.25 Market Price \$8.04 Average Market Capitalization<sup>1</sup> \$953 million Weighted Average P/E Ratio<sup>2,3</sup> 16.3x Weighted Average P/B Ratio<sup>2</sup> 1.7x Holdings  $\geq$  75% of Total Investments 91 Active Share<sup>4</sup> 98% <sup>1</sup> **Geometric Average.** This weighted calculation uses each portfolio holding's market cap in a way designed to not skew the effect of very large or small holdings; instead, it aims to better identify the portfolio's center, which Royce believes offers a more accurate measure of average market cap than a simple mean or median. <sup>2</sup> **Harmonic Average.** This weighted calculation evaluates a portfolio as if it were a single stock and measures it overall. It compares the total market value of the portfolio to the portfolio's share in the earnings or book value, as the case may be, of its underlying stocks. <sup>3</sup> The Fund's P/E ratio calculation excludes companies with zero or negative earnings (9% of portfolio holdings as of 12/31/14). <sup>4</sup> **Active Share** is the sum of the absolute values of the different weightings of each holding in the Fund versus each holding in the benchmark, divided by two.

#### Important Performance and Risk Information

All performance information reflects past performance, is presented on a total return basis, and reflects the reinvestment of distributions. Past performance is no guarantee of future results. Current performance may be higher or lower than performance quoted. Returns as of the most recent month-end may be obtained at [www.roycefunds.com](http://www.roycefunds.com). Certain immaterial adjustments were made to the net assets of Royce Global Value Trust at 12/31/14 for financial reporting purposes, and as a result the net asset value originally calculated on that date and the total return based on that net asset value differs from the adjusted net asset value and total return reported in the Financial Highlights. The market price of the Fund's shares will fluctuate, so that shares may be worth more or less than their original cost when sold. The Fund invests primarily in securities of small- and micro-cap companies, which may involve considerably more risk than investments in securities of larger-cap companies. The Fund's broadly diversified portfolio does not ensure a profit or guarantee against loss. From time to time, the Fund may invest a significant portion of its net assets in foreign securities, which may involve political, economic, currency and other risks not encountered in U.S. investments. Regarding the Top Contributors and Top Detractors tables shown on page 10, the sum of all contributors to, and all detractors from, performance for all securities in the portfolio would approximate the Fund's performance for 2014.

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## History Since Inception

The following table details the share accumulations by an initial investor in the Funds who reinvested all distributions and participated fully in primary subscriptions for each of the rights offerings. Full participation in distribution reinvestments and rights offerings can maximize the returns available to a long-term investor. This table should be read in conjunction with the Performance and Portfolio Reviews of the Funds.





## Distribution Reinvestment and Cash Purchase Options

**Why should I reinvest my distributions?**

By reinvesting distributions, a stockholder can maintain an undiluted investment in the Fund. The regular reinvestment of distributions has a significant impact on stockholder returns. In contrast, the stockholder who takes distributions in cash is penalized when shares are issued below net asset value to other stockholders.

**How does the reinvestment of distributions from the Royce closed-end funds work?**

The Funds automatically issue shares in payment of distributions unless you indicate otherwise. The shares are generally issued at the lower of the market price or net asset value on the valuation date.

**How does this apply to registered stockholders?**

If your shares are registered directly with a Fund, your distributions are automatically reinvested unless you have otherwise instructed the Funds' transfer agent, Computershare, in writing, in which case you will receive your distribution in cash. A registered stockholder also may have the option to receive the distribution in the form of a stock certificate.

**What if my shares are held by a brokerage firm or a bank?**

If your shares are held by a brokerage firm, bank, or other intermediary as the stockholder of record, you should contact your brokerage firm or bank to be certain that it is automatically reinvesting distributions on your behalf. If they are unable to reinvest distributions on behalf, you should have your shares registered in your name in order to participate.

**What other features are available for registered stockholders?**

The Distribution Reinvestment and Cash Purchase Plans also allow registered stockholders to make optional cash purchases of shares of a Fund's common stock directly through Computershare on a monthly basis, and to deposit certificates representing your RVT and RMT shares with Computershare for safekeeping. (RGT does not issue shares in certificated form). Plan participants are subject to a \$0.75 service fee for each voluntary cash purchase under the Plans. The Funds' investment adviser absorbed all commissions on optional cash purchases under the Plans through December 31, 2014.

**How do the Plans work for registered stockholders?**

Computershare maintains the accounts for registered stockholders in the Plans and sends written confirmation of all transactions in the account. Shares in the account of each participant will be held by Computershare in non-certificated form in the name of the participant, and each participant will be able to vote those shares at a stockholder meeting or by proxy. A participant may also send stock certificates for RVT and RMT held by them to Computershare to be held in non-certificated form. RGT does not issue shares in certificated form. There is no service fee charged to participants for reinvesting distributions. If a participant elects to sell shares from a Plan account, Computershare will deduct a \$2.50 service fee from the sale transaction. The Funds' investment adviser absorbed all commissions on optional sales under the Plans through December 31, 2014. If a nominee is the registered owner of your shares, the nominee will maintain the accounts on your behalf.

**How can I get more information on the Plans?**

You can call an Investor Services Representative at (800) 221-4268 or you can request a copy of the Plan for your Fund from Computershare. All correspondence (including notifications) should be directed to: [Name of Fund] Distribution Reinvestment and Cash Purchase Plan, c/o Computershare, PO Box 43078, Providence, RI 02940-3078, telephone (800) 426-5523 (from 9:00 A.M. to 5:00 P.M.).

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**Royce Value Trust** December 31, 2014

**Schedule of Investments**

Common Stocks 102.8%	<b>SHARES</b>	<b>VALUE</b>	<b>CONSUMER DISCRETIONARY 11.8%</b>	<b>AUTO</b>
COMPONENTS - 0.9%				
Drew Industries 1				
29,206 \$ 1,491,551				
Fuel Systems Solutions 1				
122,000 1,334,680				
Gentex Corporation				
122,740 4,434,596				
Global & Yuasa Battery				
35,500 1,275,040				
Selamat Sempurna				
6,867,400 2,619,299				
Standard Motor Products				
15,052 573,782	<b>11,728,948</b>		<b>AUTOMOBILES - 0.9%</b>	
Thor Industries 2				



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124,980	6,982,633		
Winnebago Industries			
211,400	4,600,064	<b>11,582,697</b>	DISTRIBUTORS - 0.2%
Weyco Group			
97,992	<b>2,907,423</b>		DIVERSIFIED CONSUMER SERVICES - 1.5%
American Public Education 1			
36,100	1,331,007		
Benesse Holdings			
35,000	1,039,698		
Career Education 1			
20,000	139,200		
Collectors Universe			
72,300	1,508,178		
Lincoln Educational Services			
721,700	2,035,194		
MegaStudy			
15,000	725,406		
Regis Corporation 1,2,3			
233,800	3,918,488		
Sotheby s			
138,200	5,967,476		
Universal Technical Institute			
130,432	1,283,451	<b>17,948,098</b>	HOTELS, RESTAURANTS & LEISURE - 0.0%
Ambassadors Group 1			
32,100	80,250		
Tropicana Entertainment 1,4			
8,000	134,800	<b>215,050</b>	HOUSEHOLD DURABLES - 2.4%
De Longhi			
20,000	362,219		
<b>Ethan Allen Interiors</b>			
320,800	9,935,176		
Flexsteel Industries			
24,800	799,800		
Harman International Industries			
28,600	3,051,906		
Lifetime Brands			
54,426	936,127		
Mohawk Industries 1,2			
28,000	4,350,080		
Natuzzi ADR 1			
2,096,300	3,249,265		
NVR 1			
2,600	3,315,858		
Stanley Furniture 1,5			
1,012,235	2,773,524		
Turtle Beach 1,2,3			
184,782	589,454	<b>29,363,409</b>	INTERNET & CATALOG RETAIL - 0.2%
Blue Nile 1			
34,800	1,253,148		
Manutan International			
26,000	1,289,144	<b>2,542,292</b>	LEISURE PRODUCTS - 1.2%
Arctic Cat			
15,800	560,900		
Beneteau 1			
55,000	770,204		
LeapFrog Enterprises Cl. A 1			

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240,100	1,133,272		
<b>Nautilus 1</b>			
676,100	10,263,198		
Shimano			
11,000	1,422,852		
Smith & Wesson Holding Corporation 1			
39,300	372,171	<b>14,522,597</b>	MEDIA - 1.2%
E.W. Scripps Company Cl. A 1			
53,300	1,191,255		
Media Chinese International			
7,650,000	1,640,664		
Morningstar			
84,600	5,474,466		
Pico Far East Holdings			
6,575,000	1,506,650		
RLJ Entertainment 1			
35,600	71,200		
SinoMedia Holding			
500,000	278,852		
T4F Entretenimento 1			
141,800	153,651		
Television Broadcasts			
308,400	1,790,162		
Wiley (John) & Sons Cl. A			
48,200	2,855,368	<b>14,962,268</b>	MULTILINE RETAIL - 0.2%
New World Department Store China			
6,427,200	<b>2,054,707</b>		SPECIALTY RETAIL - 1.5%
Aeropostale 1			
110,000	255,200		
Ascena Retail Group 1			
109,485	1,375,132		
Buckle (The) 2			
59,615	3,130,980		
Genesco 1			

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42,785	3,278,187		
I.T			
1,127,000	324,855		
Lewis Group			
200,000	1,279,730		
Oriental Watch Holdings			
543,000	104,848		
Sears Hometown and Outlet Stores 1			
10,400	136,760		
Signet Jewelers			
8,000	1,052,560		
Stein Mart			
167,800	2,453,236		
Systemax 1			
194,000	2,619,000		
TravelCenters of America LLC 1			
62,500	788,750		
West Marine 1			
131,100	1,693,812	<b>18,493,050</b>	TEXTILES, APPAREL & LUXURY GOODS - 1.6%
Asia Brands			
117,100	99,663		
Crown Crafts			
247,241	1,903,756		
Culp			
55,500	1,203,240		
Daphne International Holdings			
4,412,800	1,600,804		

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Grendene

200,000 1,150,320

Huvis Corporation

18,600 188,375

J.G. Boswell Company 4

2,292 2,159,087

Movado Group

75,161 2,132,317

Pacific Textiles Holdings

550,000 727,505

Stella International Holdings

300,000 787,202

Van de Velde

22,500 1,060,022

Wolverine World Wide 2

123,500 3,639,545

YGM Trading

1,382,600 2,505,446

**19,157,282 Total (Cost \$121,593,230)**

**145,477,821**

**CONSUMER**

**STAPLES**

**2.2%**

BEVERAGES - 0.0%

Crimson Wine Group 1,4

11,876 **111,635**

FOOD & STAPLES RETAILING - 0.1%

FamilyMart

37,000 **1,381,268**

FOOD PRODUCTS - 1.5%

Alico

51,000 2,551,530

Cal-Maine Foods

29,176 1,138,739

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Farmer Bros. 1

28,900 851,105

Industrias Bachoco ADR 1

41,865 2,088,226

Lancaster Colony

10,700 1,001,948

Seneca Foods Cl. A 1

219,255 5,926,463

Seneca Foods Cl. B 1

13,840 445,648

Sipef

3,700 213,472

Tootsie Roll Industries 2

124,135 3,804,738

Waterloo Investment Holdings 1,6

598,676 227,497 **18,249,366**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS 2014 Annual Report to Stockholders | 15

**Royce Value Trust**

<b>Schedule of Investments (continued)</b>	<b>SHARES</b>	<b>VALUE</b>	<b>CONSUMER STAPLES (continued)</b>	
PERSONAL PRODUCTS - 0.6%				
Nu Skin Enterprises Cl. A 2,3				
161,310 <b>\$ 7,049,247</b> <b>Total (Cost \$24,078,392)</b>	<b>26,791,516</b>		<b>ENERGY 3.6%</b>	<b>ENERGY EQUIPMENT</b>
& SERVICES - 3.2%				
Cal Dive International 1,4				
276,250 19,337				
CARBO Ceramics 2,3				
63,000 2,523,150				
Ensign Energy Services				
134,000 1,176,450				
Helmerich & Payne				
49,710 3,351,448				
ION Geophysical 1				
361,500 994,125				
Oil States International 1				
48,713 2,382,066				
Pason Systems				
359,480 6,773,125				
<b>SEACOR Holdings 1</b>				
141,092 10,414,001				
Steel Excel 1,4				
156,880 3,922,000				
TGS-NOPEC Geophysical				
125,070 2,706,057				
Tidewater				

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24,000	777,840				
Trican Well Service					
45,200	216,702				
Unit Corporation 1					
116,000	3,955,600	<b>39,211,901</b>		OIL, GAS & CONSUMABLE FUELS - 0.4%	
Contango Oil & Gas 1					
7,000	204,680				
Green Plains					
19,000	470,820				
Harvest Natural Resources 1					
13,000	23,530				
Permian Basin Royalty Trust					
276,000	2,635,800				
Resolute Energy 1,2,3					
273,134	360,537				
World Fuel Services					
16,600	779,038				
WPX Energy 1					
110,000	1,279,300	<b>5,753,705</b>	<b>Total (Cost \$58,282,707)</b>	<b>44,965,606</b>	<b>FINANCIALS 15.7%</b>
	BANKS - 2.2%				
Bank of N.T. Butterfield & Son					
1,784,161	3,550,480				
BCB Holdings 1					
209,426	39,169				
Farmers & Merchants Bank of Long Beach 4					
1,200	7,219,200				
Fauquier Bankshares					

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160,800 3,035,904

First Citizens BancShares Cl. A 2

29,026 7,337,483

Mechanics Bank 4

200 5,200,000 **26,382,236** CAPITAL MARKETS - 7.2%

AllianceBernstein Holding L.P.

102,000 2,634,660

Artisan Partners Asset Management Cl. A

86,960 4,394,089

ASA Gold and Precious Metals

346,821 3,506,360

Ashmore Group

899,800 3,901,073

Aurelius

9,300 354,084

CETIP - Mercados Organizados

430,000 5,207,767

Cowen Group 1

731,158 3,509,558

Dundee Corporation Cl. A 1

182,800 2,015,552

Eaton Vance 2

40,500 1,657,665

Edmond de Rothschild (Suisse)

123 1,889,786

**Federated Investors Cl. B**

308,400 10,155,612



GAMCO Investors Cl. A

20,200 1,796,588

Jupiter Fund Management

230,000 1,291,266

Lazard Cl. A

105,775 5,291,923

Medley Management Cl. A

105,300 1,547,910

MVC Capital

324,200 3,186,886

Newtek Business Services 1

86,100 1,270,836

Paris Orleans

346,893 7,464,488

Qalaa Holdings 1

11,799,921 4,736,439

RCS Capital Cl. A 2,3

9,500 116,280

RHJ International 1

440,000 2,457,848

**SEI Investments**

225,675 9,036,027

Sprott

590,000 1,239,112

U.S. Global Investors Cl. A

661,751 2,051,428

Value Partners Group

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6,703,000 5,598,185

Virtus Investment Partners

7,040 1,200,250

Westwood Holdings Group

23,460 1,450,297 **88,961,969** CONSUMER FINANCE - 0.2%

EZCORP Cl. A 1

211,000 **2,479,250** DIVERSIFIED FINANCIAL SERVICES - 1.2%

Banca Finnat Euramerica

1,060,000 518,149

HF2 Financial Management Cl. A 1

292,300 3,031,151

MarketAxess Holdings

100,000 7,171,000

PICO Holdings 1

100,400 1,892,540

Sofina

19,698 2,070,466 **14,683,306** INSURANCE - 2.0%

Alleghany Corporation 1

6,149 2,850,061

**E-L Financial**

16,500 9,700,034

Erie Indemnity Cl. A

25,000 2,269,250

Greenlight Capital Re Cl. A 1

21,061 687,642

Independence Holding Company

349,423 4,874,451

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Lancashire Holdings

115,000 996,751

Primerica

53,000 2,875,780

ProAssurance Corporation

17,139 773,826 **25,027,795** INVESTMENT COMPANIES - 0.2%

RIT Capital Partners

121,500 **2,645,335** REAL ESTATE INVESTMENT TRUSTS (REITS) - 0.2%

OUTFRONT Media

95,339 **2,558,899** REAL ESTATE MANAGEMENT & DEVELOPMENT - 1.9%

Altisource Portfolio Solutions 1,2,3

9,000 304,110

Brasil Brokers Participacoes

91,400 86,923

Consolidated-Tomoka Land

42,868 2,392,034

E-House (China) Holdings ADR 2,3

155,700 1,127,268

Forestar Group 1

102,000 1,570,800

Hopefluent Group Holdings

850,000 263,796

Kennedy-Wilson Holdings

101,300 2,562,890

Midland Holdings 1

2,500,000 1,263,119

St. Joe Company (The) 1,2,3

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197,000 3,622,830

**Tejon Ranch 1**

342,600 10,092,996

**Tejon Ranch (Warrants) 1**

96,561 168,982 **23,455,748** THRIFTS & MORTGAGE FINANCE - 0.6%

Genworth MI Canada

69,755 2,220,296

Timberland Bancorp 5

444,200 4,708,520

Vestin Realty Mortgage II 1

53,557 200,839 **7,129,655** **Total (Cost \$173,324,236)** **193,324,193** **HEALTH CARE 5.9%**  
 BIOTECHNOLOGY - 0.5%

ARIAD Pharmaceuticals 1,2,3

185,250 1,272,667

ArQule 1

130,000 158,600

Coronado Biosciences 1

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170,000 414,800

16 | 2014 Annual Report to Stockholders **THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS**

December 31, 2014

**Schedule of Investments (continued)**                      **SHARES**      **VALUE**                      **HEALTH CARE (continued)**  
 BIOTECHNOLOGY (continued)

Genomic Health 1

33,000    \$ 1,055,010

Green Cross

6,000    745,925

Kite Pharma 1,2,3

800    46,136

Myriad Genetics 1,2,3

78,093    2,659,848

Rigel Pharmaceuticals 1

63,000    143,010                      **6,495,996**                      HEALTH CARE EQUIPMENT & SUPPLIES - 2.4%

Allied Healthcare Products 1

63,225    116,334

Analogic Corporation

38,135    3,226,602

AngioDynamics 1,2

67,028    1,274,202

Atrion Corporation 2,3

17,079    5,807,031

bioMerieux

7,000    725,636

Cerus Corporation 1

240,000    1,497,600

CONMED Corporation

81,500    3,664,240

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DENTSPLY International

21,618 1,151,591

Derma Sciences 1

87,142 811,292

DiaSorin

32,500 1,310,641

IDEXX Laboratories 1,2,3

57,411 8,512,329

Invacare Corporation

61,200 1,025,712

Synergetics USA 1,2

123,565 537,508

**29,660,718**

HEALTH CARE PROVIDERS & SERVICES - 0.4%

Addus HomeCare 1

49,000 1,189,230

Bio-Reference Laboratories 1,2

12,000 385,560

Landauer

50,000 1,707,000

MWI Veterinary Supply 1

10,000 1,699,100

**4,980,890**

HEALTH CARE TECHNOLOGY - 0.2%

Medidata Solutions 1

40,000 **1,910,000**

LIFE SCIENCES TOOLS & SERVICES - 1.4%

Bio-Rad Laboratories Cl. A 1

19,048 2,296,427

Bio-Techne

37,843 3,496,693

**PAREXEL International 1**

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165,800	9,211,848				
PerkinElmer					
39,000	1,705,470	<b>16,710,438</b>		PHARMACEUTICALS - 1.0%	
Adcock Ingram Holdings 1					
28,300	119,536				
Boiron					
10,000	843,751				
Lannett Company 1					
46,050	1,974,624				
Medicines Company (The) 1					
147,518	4,081,823				
Repros Therapeutics 1					
122,000	1,216,340				
Santen Pharmaceutical					
20,000	1,070,318				
Stallergenes					
18,000	1,077,235				
Theravance Biopharma 1					
83,000	1,238,360				
Vetoquinol					
25,000	1,085,951	<b>12,707,938</b>	<b>Total (Cost \$44,198,051)</b>	<b>72,465,980</b>	<b>INDUSTRIALS</b>
<b>29.9%</b>	AEROSPACE & DEFENSE - 2.3%				
Curtiss-Wright					
6,550	462,365				
Ducommun 1					
117,200	2,962,816				
<b>HEICO Corporation</b>					

236,638 14,292,935

**HEICO Corporation Cl. A**

80,808 3,827,067

Hexcel Corporation 1

47,500 1,970,775

Magellan Aerospace

117,700 1,369,688

Moog Cl. A 1

25,000 1,850,750

Teledyne Technologies 1

20,600 2,116,444 **28,852,840** AIR FREIGHT & LOGISTICS - 2.7%

Expeditors International of Washington

158,900 7,088,529

**Forward Air**

209,750 10,565,108

Hub Group Cl. A 1,2

149,400 5,689,152

UTi Worldwide 1

635,400 7,669,278

XPO Logistics 1

50,000 2,044,000 **33,056,067** BUILDING PRODUCTS - 1.2%

American Woodmark 1

117,135 4,736,939

Burnham Holdings Cl. B 4

36,000 720,000

**Simpson Manufacturing**

275,300 9,525,380 **14,982,319** COMMERCIAL SERVICES & SUPPLIES - 2.3%



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Brady Corporation Cl. A

45,900 1,254,906

CompX International Cl. A

211,100 2,490,980

Copart 1

178,360 6,508,356

Heritage-Crystal Clean 1

102,527 1,264,158

Intersections 2,3

71,100 278,001

Kaba Holding

2,400 1,210,160

Kimball International Cl. B

376,880 3,437,146

**Ritchie Bros. Auctioneers**

438,324 11,786,532

Societe BIC

1,500 199,071 **28,429,310** CONSTRUCTION & ENGINEERING - 2.4%

EMCOR Group 2,3

149,400 6,646,806

Integrated Electrical Services 1

677,482 5,284,360

Jacobs Engineering Group 1,2,3

174,900 7,816,281

KBR

438,192 7,427,354

Sterling Construction 1

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326,671	2,087,428	<b>29,262,229</b>	ELECTRICAL EQUIPMENT - 2.5%
Elektrobudowa			
20,000	416,901		
EnerSys			
40,155	2,478,366		
Franklin Electric			
209,200	7,851,276		
Global Power Equipment Group			
253,389	3,499,302		
GrafTech International 1			
1,046,603	5,295,811		
Powell Industries			
94,500	4,637,115		
Preformed Line Products			
91,600	5,004,108		
Vicor 1			
104,808	1,268,177	<b>30,451,056</b>	INDUSTRIAL CONGLOMERATES - 1.0%
Carlisle Companies 2			
28,615	2,582,218		
Dogan Sirketler Grubu Holding 1			
4,727,500	1,536,889		
Hopewell Holdings			
1,040,000	3,793,030		
Raven Industries			
192,400	4,810,000	<b>12,722,137</b>	MACHINERY - 9.3%
Astec Industries			
20,000	786,200		

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Burckhardt Compression Holding

8,400 3,216,128

CB Industrial Product Holding

136,800 78,559

Chen Hsong Holdings

1,159,000 304,273

CIRCOR International

50,262 3,029,793

CLARCOR

92,500 6,164,200

Columbus McKinnon

56,535 1,585,241

Donaldson Company

193,559 7,477,184

Eastern Company (The)

22,000 377,300

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS 2014 Annual Report to Stockholders | 17

## Royce Value Trust

**Schedule of Investments (continued)**      **SHARES**      **VALUE**      **INDUSTRIALS (continued)**  
MACHINERY (continued)

Graco

104,776 \$ 8,400,940

Hurco Companies

45,952 1,566,504

Hyster-Yale Materials Handling Cl. A

11,335 829,722

IDEX Corporation

67,400 5,246,416

John Bean Technologies

162,866 5,351,777

Kennametal

191,100 6,839,469

Lincoln Electric Holdings

46,360 3,203,012

Lindsay Corporation 2,3

45,000 3,858,300

Lydall 1

27,730 910,099

Mueller Water Products Cl. A

33,600 344,064

NN

197,100 4,052,376

Nordson Corporation

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24,296 1,894,116

Pfeiffer Vacuum Technology

14,000 1,162,111

PMFG 1

378,352 1,978,781

Rational

2,000 628,589

RBC Bearings

53,200 3,432,996

Rotork

18,000 647,735

Semperit AG Holding

25,640 1,240,722

Spirax-Sarco Engineering

19,500 866,591

Sun Hydraulics

71,018 2,796,689

Tecumseh Products 1

46,700 144,303

Tennant Company

41,900 3,023,923

Timken Company (The)

29,795 1,271,651

Valmont Industries 2

68,795 8,736,965

Wabash National 1

99,100 1,224,876

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WABCO Holdings 1

43,400 4,547,452

Wabtec Corporation

83,050 7,216,214

**Woodward**

208,400 10,259,532 **114,694,803** MARINE - 0.1%

Kirby Corporation 1,2

10,100 **815,474** PROFESSIONAL SERVICES - 3.7%

Acacia Research 2

47,300 801,262

Advisory Board (The) 1,2,3

150,277 7,360,568

CRA International 1

3,910 118,551

Exponent

12,700 1,047,750

Franklin Covey 1

65,500 1,268,080

Heidrick & Struggles International

76,480 1,762,864

ICF International 1

66,696 2,733,202

Insperity

105,000 3,558,450

ManpowerGroup

98,658 6,725,516

**On Assignment 1**

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334,995	11,118,484		
Robert Half International			
16,942	989,074		
RPX Corporation 1			
30,500	420,290		
Towers Watson & Co. Cl. A			
69,200	7,831,364		
Volt Information Sciences 1			
19,000	203,870	<b>45,939,325</b>	ROAD & RAIL - 1.6%
FRP Holdings 1			
212,958	8,350,084		
Genesee & Wyoming Cl. A 1			
20,000	1,798,400		
Landstar System			
99,400	7,209,482		
Trancom			
8,000	322,258		
Universal Truckload Services			
78,916	2,249,895	<b>19,930,119</b>	TRADING COMPANIES & DISTRIBUTORS - 0.7%
Aceto Corporation			
61,475	1,334,008		
Kloekner & Co 1			
31,300	337,317		
MISUMI Group			
36,200	1,189,075		
MSC Industrial Direct Cl. A 2			
65,833	\$ 5,348,931	<b>8,209,331</b>	TRANSPORTATION INFRASTRUCTURE - 0.1%

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Wesco Aircraft Holdings 1

68,400	<b>956,232</b>	<b>Total (Cost \$216,941,192)</b>	<b>368,301,242</b>	<b>INFORMATION TECHNOLOGY</b>	<b>20.6%</b>
COMMUNICATIONS EQUIPMENT - 0.9%					

ADTRAN

345,428	7,530,330
---------	-----------

Bel Fuse Cl. B

30,238	826,707
--------	---------

Comba Telecom Systems Holdings

1,035,290	366,306
-----------	---------

Comtech Telecommunications

44,200	1,393,184
--------	-----------

Ellies Holdings 1

643,300	72,099
---------	--------

EVS Broadcast Equipment

15,000	541,946
--------	---------

UTStarcom Holdings 1

59,900	169,517	<b>10,900,089</b>	<b>ELECTRONIC EQUIPMENT, INSTRUMENTS &amp; COMPONENTS - 9.7%</b>
--------	---------	-------------------	--

Agilysys 1

165,125	2,078,924
---------	-----------

Anixter International 1,2

70,895	6,271,372
--------	-----------

Avnet

16,400	705,528
--------	---------

AVX Corporation

44,600	624,400
--------	---------

Benchmark Electronics 1

221,900	5,645,136
---------	-----------



Cognex Corporation 1

69,800 2,884,834

**Coherent 1**

164,376 9,980,911

Dolby Laboratories Cl. A

80,200 3,458,224

Domino Printing Sciences

95,000 971,017

DTS 1

207,000 6,365,250

FEI Company

82,100 7,417,735

FLIR Systems

262,600 8,484,606

GSI Group 1

51,000 750,720

Hollysys Automation Technologies 1

44,582 1,089,138

IPG Photonics 1,2,3

68,380 5,123,030

Kimball Electronics 1

214,635 2,579,913

LRAD Corporation 1

548,244 1,480,259

National Instruments

251,850 7,830,016

**Newport Corporation 1**

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570,200	10,896,522		
Oxford Instruments			
8,000	158,026		
PC Connection			
16,301	400,189		
Perceptron			
357,700	3,559,115		
Plexus Corporation 1			
176,100	7,257,081		
Richardson Electronics			
573,732	5,737,320		
Rofin-Sinar Technologies 1			
252,281	7,258,124		
Rogers Corporation 1			
57,066	4,647,455		
TTM Technologies 1,2			
496,400	3,737,892		
Vaisala Cl. A			
30,320	804,129		
Vishay Precision Group 1			
74,826	1,284,014	<b>119,480,880</b>	INTERNET SOFTWARE & SERVICES - 1.6%
Care.com 1			
298,900	2,474,892		
Cimpres 1,2			
24,000	1,796,160		
Frontier Services Group 1			
8,147,000	1,164,194		

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j2 Global

42,960 2,663,520

QuinStreet 1

508,132 3,084,361

RealNetworks 1

376,750 2,652,320

Spark Networks 1,2,3

107,000 384,130

Support.com 1

1,452,099 3,063,929

Textura Corporation 1,2,3

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55,800 1,588,626

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December 31, 2014

**Schedule of Investments (continued)**                      **SHARES**      **VALUE**                      **INFORMATION TECHNOLOGY (continued)**  
 INTERNET SOFTWARE & SERVICES (continued)

United Online 1

59,771    \$ 869,668                      **19,741,800**                      IT SERVICES - 2.8%

Computer Task Group

105,000    1,000,650

Convergys Corporation

121,000    2,464,770

eClerx Services

35,000    723,647

**Hackett Group (The)**

1,270,596    11,168,539

Innodata 1

314,314    917,797

**MAXIMUS**

179,000    9,816,360

Metrofile Holdings

2,311,228    998,290

MoneyGram International 1

75,000    681,750

NeuStar Cl. A 1

29,287    814,179

Sykes Enterprises 1

142,584    3,346,446

Unisys Corporation 1

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94,000	2,771,120	<b>34,703,548</b>	SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT - 3.0%
Advanced Energy Industries 1			
35,000	829,500		
Amtech Systems 1			
142,571	1,447,096		
Brooks Automation			
128,000	1,632,000		
Cabot Microelectronics 1			
13,734	649,893		
CEVA 1			
58,000	1,052,120		
Cirrus Logic 1			
20,201	476,138		
Diodes 1			
260,850	7,191,634		
Entropic Communications 1			
105,000	265,650		
Exar Corporation 1			
157,576	1,607,275		
Fairchild Semiconductor International 1			
124,000	2,093,120		
Integrated Silicon Solution			
148,955	2,468,184		
Kopin Corporation 1			
282,200	1,021,564		
Microsemi Corporation 1			

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25,000	709,500		
MKS Instruments			
103,620	3,792,492		
MoSys 1,2			
337,000	630,190		
Nanometrics 1			
142,590	2,398,364		
Photronics 1			
143,700	1,194,147		
Silicon Image 1			
115,000	634,800		
STR Holdings 1			
90,000	123,300		
Teradyne			
228,000	4,512,120		
Tessera Technologies			
22,235	795,124		
Veeco Instruments 1,2			
42,000	1,464,960	<b>36,989,171</b>	SOFTWARE - 1.6%
American Software Cl. A			
165,990	1,512,169		
ANSYS 1,2,3			
95,000	7,790,000		
Aspen Technology 1			
42,100	1,474,342		
Blackbaud			
31,400	1,358,364		

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BroadSoft 1				
40,000	1,160,800			
Computer Modelling Group				
20,000	205,543			
Envivio 1				
292,532	391,993			
ePlus 1				
17,200	1,301,868			
Mentor Graphics				
71,493	1,567,127			
SeaChange International 1				
353,369	2,254,494			
SimCorp				
18,000	475,204			
TeleNav 1				
24,197	161,394	<b>19,653,298</b>		TECHNOLOGY HARDWARE, STORAGE & PERIPHERALS - 1.0%
Avid Technology 1				
38,000	539,980			
BlackBerry 1,2,3				
10,000	109,800			
Diebold 2,3				
230,300	7,977,592			
Intevac 1				
188,800	1,466,976			
Silicon Graphics International 1				
133,500	1,519,230			

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Western Digital 2

7,290	807,003	<b>12,420,581</b>	<b>Total (Cost \$184,774,817)</b>	<b>253,889,367</b>	<b>MATERIALS</b>	<b>7.5%</b>
	CHEMICALS - 2.2%					

Cabot Corporation

13,709 601,277

FutureFuel Corporation

94,000 1,223,880

Hawkins

86,178 3,734,093

Innospec

94,378 4,029,941

KMG Chemicals

71,700 1,434,000

Minerals Technologies

63,123 4,383,892

OM Group

28,185 839,913

Quaker Chemical

36,479 3,357,527

Umicore

176,000	7,088,770	<b>26,693,293</b>	CONSTRUCTION MATERIALS - 0.9%
---------	-----------	-------------------	-------------------------------

**Ash Grove Cement Cl. B 4**

50,518 10,179,377

Mardin Cimento Sanayii

491,700	999,849	<b>11,179,226</b>	CONTAINERS & PACKAGING - 0.8%
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Greif Cl. A

112,344 5,306,007



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Mayr-Melnhof Karton

44,000 4,566,110 **9,872,117** METALS & MINING - 3.4%

AuRico Gold

132,000 432,960

Centerra Gold

160,000 831,813

Central Steel & Wire 4

4,862 3,633,129

Exeter Resource 1

475,000 280,108

Fresnillo

22,500 267,003

Gold Fields ADR

865,000 3,918,450

Haynes International

23,000 1,115,500

Hecla Mining

660,000 1,841,400

IAMGOLD Corporation 1

510,000 1,377,000

Imdex 1

1,591,766 617,134

Kirkland Lake Gold 1

90,000 259,511

Lundin Mining 1

640,000 3,150,973

Maharashtra Seamless

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150,000 567,216

Major Drilling Group International

380,973 1,872,401

Medusa Mining 1

75,600 40,230

Pan American Silver

130,430 1,199,956

Pretium Resources 1

246,000 1,420,778

**Reliance Steel & Aluminum**

158,760 9,727,225

Saracen Mineral Holdings 1

237,072 49,468

Seabridge Gold 1

282,000 2,129,100

Synalloy Corporation

178,800 3,148,668

Victoria Gold 1

550,000 52,074

Vista Gold 1

124,000 35,352

Worthington Industries

148,000 4,453,320

**42,420,769**

PAPER & FOREST PRODUCTS - 0.2%

Glatfelter

28,400 726,188

Qunxing Paper Holdings 1,6

3,296,000 42,504

Schweitzer-Mauduit International

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30,238 1,279,067 **2,047,759 Total (Cost \$78,777,226) 92,213,164**

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**Royce Value Trust** December 31, 2014

**Schedule of Investments (continued) SHARES VALUE TELECOMMUNICATION SERVICES 0.7%**  
**WIRELESS TELECOMMUNICATION SERVICES - 0.7%**

Spok Holdings

31,300 \$ 543,368

Telephone and Data Systems

348,270 8,793,818 **Total (Cost \$8,979,901) 9,337,186 MISCELLANEOUS<sup>7</sup> 4.9% Total (Cost**  
**\$59,802,486) 60,190,696 TOTAL COMMON STOCKS (Cost \$970,752,238) 1,266,956,771**  
**PREFERRED STOCK - 0.1%**

Seneca Foods Conv. 1,6

50,000 **1,216,350**

**(Cost \$724,063)**

**1,216,350 REPURCHASE AGREEMENT 2.4%** Fixed Income Clearing Corporation, 0.00% dated  
 12/31/14, due 1/2/15, maturity value \$29,555,000 (collateralized by obligations of various U.S. Government Agencies, 1.06% due  
 10/12/17, valued at \$30,148,500) **(Cost \$29,555,000) 29,555,000 TOTAL INVESTMENTS 105.3%**  
**(Cost \$1,001,031,301) 1,297,728,121 LIABILITIES LESS CASH AND OTHER ASSETS (5.3)%**  
**(65,773,483) NET ASSETS 100.0% \$ 1,231,954,638**

New additions in 2014. 1 Non-income producing. 2

All or a portion of these securities were pledged as collateral in connection with the revolving credit agreement at December 31, 2014. Total market value of pledged securities at December 31, 2014, was \$129,449,869.

3

At December 31, 2014, a portion of these securities were rehypothecated in connection with the Fund's revolving credit agreement in the aggregate amount of \$65,826,540.

4

These securities are defined as Level 2 securities due to fair value being based on quoted prices for similar securities. See Notes to Financial Statements.

5

At December 31, 2014, the Fund owned 5% or more of the Company's outstanding voting securities thereby making the Company an Affiliated Company as that term is defined in the Investment Company Act of 1940. See Notes to Financial Statements.

6

Securities for which market quotations are not readily available represent 0.1% of net assets. These securities have been valued at their fair value under procedures approved by the Fund's Board of Directors. These securities are defined as Level 3 securities due to the use of significant unobservable inputs in the determination of fair value. See Notes to Financial Statements.

7

Includes securities first acquired in 2014 and less than 1% of net assets.

**Bold indicates the Fund's 20 largest equity holdings in terms of December 31, 2014, market value.**

**TAX INFORMATION:** The cost of total investments for Federal income tax purposes was \$1,002,051,873. At December 31, 2014, net unrealized appreciation for all securities was \$295,676,248, consisting of aggregate gross unrealized appreciation of \$372,999,155 and aggregate gross unrealized depreciation of \$77,322,907. The primary difference between book and tax basis cost is the timing of the recognition of losses on securities sold.

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**Royce Value Trust** December 31, 2014

**Statement of Assets and Liabilities**

ASSETS:

Investments at value

Non-Affiliated Companies (cost \$963,292,576)

\$ 1,260,691,077

Affiliated Companies (cost \$8,183,725)

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7,482,044 Total investments at value 1,268,173,121 Repurchase agreements (at cost and value) 29,555,000 Cash  
 and foreign currency 125,821 Receivable for investments sold 6,523,614 Receivable for dividends and interest  
 1,041,165 Prepaid expenses and other assets 497,204 **Total Assets 1,305,915,925** LIABILITIES:  
 Revolving credit agreement 70,000,000 Payable for investments purchased 2,955,646 Payable for investment advisory  
 fee 482,515 Payable for directors fees 43,955 Payable for interest expense 4,623 Accrued expenses 233,712  
 Deferred capital gains tax 240,836 **Total Liabilities 73,961,287** **Net Assets \$ 1,231,954,638** ANALYSIS OF NET  
 ASSETS: Paid-in capital - \$0.001 par value per share; 75,868,548 shares outstanding (150,000,000 shares authorized) \$  
 887,979,480 Undistributed net investment income (loss) 2,286,303 Accumulated net realized gain (loss) on investments  
 and foreign currency 45,251,984 Net unrealized appreciation (depreciation) on investments and foreign currency  
 296,436,871 **Net Assets (net asset value per share - \$16.24) \$ 1,231,954,638** Investments at identified cost \$  
 971,476,301

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**Royce Value Trust** Year Ended December 31, 2014 **Statement of Operations**

**INVESTMENT INCOME:** INCOME:

Dividends

Non-Affiliated Companies

\$ 16,916,493

Affiliated Companies



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79,956 Foreign withholding tax (486,916 ) Interest 34,754 Rehypothecation income 332,075 Securities lending  
 7,320 **Total income 16,883,682** EXPENSES: Investment advisory fees 5,791,677 Interest expense  
 772,938 Stockholder reports 421,365 Custody and transfer agent fees 261,357 Directors fees 159,539  
 Administrative and office facilities 145,403 Professional fees 84,114 Other expenses 123,321 **Total expenses**  
**7,759,714** Compensating balance credits (9 ) **Net expenses 7,759,705** **Net investment income (loss) 9,123,977**  
**REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY:**

NET REALIZED GAIN (LOSS): Investments 131,095,322 Foreign currency transactions (140,661 ) Net  
 realized foreign capital gains tax (99,135 ) NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION):  
 Investments and foreign currency translations (140,123,494 ) Net change in deferred foreign capital gain taxes on unrealized  
 appreciation (240,836 ) Other assets and liabilities denominated in foreign currency (24,644 ) **Net realized and unrealized**  
**gain (loss) on investments and foreign currency (9,533,448 )** **NET INCREASE (DECREASE) IN NET ASSETS FROM**  
**INVESTMENT OPERATIONS \$ (409,471 )**

22 | 2014 Annual Report to Stockholders **THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS**

## Royce Value Trust

### Statement of Changes in Net Assets

YEAR ENDED 12/31/14	YEAR ENDED 12/31/13	
		INVESTMENT OPERATIONS:
Net investment income (loss) \$ 9,123,977	\$ 8,567,535	Net realized gain (loss) on investments and foreign currency
130,855,526	171,436,021	Net change in unrealized appreciation (depreciation) on investments and foreign currency
(140,388,974 )	191,177,592	<b>Net increase (decrease) in net assets from investment operations (409,471 )</b>
<b>371,181,148</b>		DISTRIBUTIONS:
Net investment income (10,008,114 )	(7,723,525 )	Net realized gain on investments and foreign currency (123,263,927 )
(148,307,278 )	<b>Total distributions (133,272,041 )</b>	(156,030,803 )
		CAPITAL STOCK TRANSACTIONS:
Reinvestment of distributions 57,806,861	26,224,892	Depreciation of securities contributed to Royce Global Value Trust
spinoff (15,972,444 )	<b>Total capital stock transactions 57,806,861</b>	<b>10,252,448</b>
<b>Assets (75,874,651 )</b>	<b>225,402,793</b>	<b>Net Increase (Decrease) In Net</b>
		<b>Assets (75,874,651 )</b>
		NET ASSETS: <b>Beginning of year 1,307,829,289</b>
		<b>1,082,426,496</b>
		<b>End of year (including undistributed net investment income (loss) of \$2,286,303 at 12/31/14 and \$6,453,789 at 12/31/13) \$</b>
		<b>1,231,954,638</b>
		<b>\$ 1,307,829,289</b>

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS** 2014 Annual Report to Stockholders | 23

## Royce Value Trust

December 31, 2014

### Statement of Cash Flows

CASH FLOWS FROM OPERATING ACTIVITIES: Net increase (decrease) in net assets from investment operations \$  
 (409,471 ) Adjustments to reconcile net increase (decrease) in net assets from investment operations to net cash provided by  
 operating activities:

Purchases of long-term investments

(549,096,900 )

Proceeds from sales and maturities of long-term investments

492,983,075

Net purchases, sales and maturities of short-term investments

162,354,000

Net (increase) decrease in dividends and interest receivable and other assets

566,854

Net increase (decrease) in interest expense payable, accrued expenses and other liabilities

(92,610 )



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Net change in unrealized appreciation (depreciation) on investments

140,123,494

Net realized gain on investments and foreign currency

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(130,855,526 ) **Net cash provided by operating activities** **115,572,916** CASH FLOWS FROM FINANCING  
ACTIVITIES: Net increase (decrease) in revolving credit agreement (40,000,000 ) Distributions (133,272,041 )  
Reinvestment of distributions 57,806,861 **Net cash used for financing activities** **(115,465,180 ) INCREASE**  
**(DECREASE) IN CASH: 107,736** **Cash and foreign currency at beginning of year 18,085** **Cash and foreign**  
**currency at end of year \$ 125,821**

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## Royce Value Trust

**Financial Highlights** This table is presented to show selected data for a share of Common Stock outstanding throughout each period, and to assist stockholders in evaluating the Fund's performance for the periods presented.

YEARS ENDED	12/31/14	12/31/13	12/31/12	12/31/11	12/31/10	<b>Net Asset Value, Beginning of Period</b>	<b>\$ 18.17</b>
	<b>\$ 15.40</b>	<b>\$ 14.18</b>	<b>\$ 16.73</b>	<b>\$ 12.87</b>		INVESTMENT OPERATIONS:	Net investment income (loss)
	0.12	0.12	0.23	0.10	0.24		

Net realized and unrealized gain (loss) on investments and foreign currency

(0.13)	4.89	2.02	(1.62)	3.85	<b>Total investment operations</b>	<b>(0.01)</b>	<b>5.01</b>	<b>2.25</b>	<b>(1.52)</b>	<b>4.09</b>
DISTRIBUTIONS TO PREFERRED STOCKHOLDERS:							Net investment income			(0.04)
(0.03)	(0.20)				Net realized gain on investments and foreign currency		(0.13)	(0.16)		<b>Total</b>
<b>distributions to Preferred Stockholders</b>						<b>(0.17)</b>	<b>(0.19)</b>	<b>(0.20)</b>		

### Net Increase (Decrease) in Net Assets Applicable to Common Stockholders from Investment Operations

<b>(0.01)</b>	<b>5.01</b>	<b>2.08</b>	<b>(1.71)</b>	<b>3.89</b>	DISTRIBUTIONS TO COMMON STOCKHOLDERS:		Net
investment income	(0.14)	(0.11)	(0.17)	(0.08)	(0.03)	Net realized gain on investments and foreign currency	
(1.68)	(2.08)	(0.63)	(0.43)		Return of capital	(0.27)	<b>Total distributions to</b>
<b>Common Stockholders</b>	<b>(1.82)</b>	<b>(2.19)</b>	<b>(0.80)</b>	<b>(0.78)</b>	<b>(0.03)</b>	CAPITAL STOCK TRANSACTIONS:	
Effect of reinvestment of distributions by Common Stockholders	(0.10)	(0.05)	(0.06)	(0.06)	(0.00)	<b>Total</b>	
<b>capital stock transactions</b>	<b>(0.10)</b>	<b>(0.05)</b>	<b>(0.06)</b>	<b>(0.06)</b>	<b>(0.00)</b>	<b>Net Asset Value, End of Period</b>	<b>\$ 16.24</b>
<b>18.17</b>	<b>\$ 15.40</b>	<b>\$ 14.18</b>	<b>\$ 16.73</b>	<b>Market Value, End of Period</b>	<b>\$ 14.33</b>	<b>\$ 16.01</b>	<b>\$ 13.42</b>
<b>\$ 12.27</b>	<b>\$ 14.54</b>						
TOTAL RETURN: 1				Net Asset Value	0.78 %	34.14 %	15.41 %
Value	0.93 %	35.63 %	16.22 %	(10.46) %	35.05 %	RATIOS BASED ON AVERAGE NET ASSETS APPLICABLE TO	
COMMON STOCKHOLDERS:				Investment advisory fee expense <sup>2</sup>	0.46 %	0.54 %	0.56 %
%	0.11 %	Other operating expenses	0.15 %	0.25 %	0.15 %	0.12 %	0.12 %
0.79 %	0.71 %	0.98 %	0.23 %	Expenses net of fee waivers and excluding interest expense	0.55 %	0.65 %	0.68 %
0.98 %	0.23 %	Expenses prior to fee waivers and balance credits	0.61 %	0.79 %	0.71 %	0.98 %	0.23 %
Expenses prior to fee waivers	0.61 %	0.79 %	0.71 %	0.98 %	0.23 %	Net investment income (loss)	0.72 %
%	1.57 %	0.63 %	1.69 %	SUPPLEMENTAL DATA:		Net Assets Applicable to Common	
Stockholders, End of Period (in thousands)	\$ 1,231,955	\$ 1,307,829	\$ 1,082,426	\$ 966,640	\$ 1,105,879	Liquidation	
Value of Preferred Stock, End of Period (in thousands)			\$ 220,000	\$ 220,000	Portfolio Turnover Rate	40 %	
33 %	25 %	26 %	30 %	PREFERRED STOCK:	Total shares outstanding		
8,800,000	8,800,000	Asset coverage per share		\$ 134.88	\$ 150.67	Liquidation preference per share	
	\$ 25.00	\$ 25.00	Average month-end market value per share		\$ 25.37	\$ 25.06	
REVOLVING CREDIT AGREEMENT:			Asset coverage	1860 %	1289 %	822 %	Asset
coverage per \$1,000	\$ 18,599	\$ 12,889	\$ 8,216				

1

The Market Value Total Return is calculated assuming a purchase of Common Stock on the opening of the first business day and a sale on the closing of the last business day of each period. Dividends and distributions are assumed for the purposes of this calculation to be reinvested at

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prices obtained under the Fund's Distribution Reinvestment and Cash Purchase Plan. Net Asset Value Total Return is calculated on the same basis, except that the Fund's net asset value is used on the purchase and sale dates instead of market value.

2

The investment advisory fee is calculated based on average net assets over a rolling 60-month basis, while the above ratios of investment advisory fee expenses are based on the average net assets applicable to Common Stockholders over a 12-month basis.

3

Expense ratios based on total average net assets including liquidation value of Preferred Stock were 0.60%, 0.82% and 0.18% for the years ended December 31, 2012, 2011 and 2010, respectively.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS 2014 Annual Report to Stockholders | 25

## Royce Value Trust

### Notes to Financial Statements

#### Summary of Significant Accounting Policies:

Royce Value Trust, Inc. (the Fund), is a diversified closed-end investment company that was incorporated under the laws of the State of Maryland on July 1, 1986. The Fund commenced operations on November 26, 1986.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 Financial Services-Investment Companies.

#### VALUATION OF INVESTMENTS:

Securities are valued as of the close of trading on the New York Stock Exchange (NYSE) (generally 4:00 p.m. Eastern time) on the valuation date. Securities that trade on an exchange, and securities traded on Nasdaq's Electronic Bulletin Board, are valued at their last reported sales price or Nasdaq official closing price taken from the primary market in which each security trades or, if no sale is reported for such day, at their highest bid price. Other over-the-counter securities for which market quotations are readily available are valued at their highest bid price, except in the case of some bonds and other fixed income securities which may be valued by reference to other securities with comparable ratings, interest rates and maturities, using established independent pricing services. The Fund values its non-U.S. dollar denominated securities in U.S. dollars daily at the prevailing foreign currency exchange rates as quoted by a major bank. Securities for which market quotations are not readily available are valued at their fair value in accordance with the provisions of the 1940 Act, under procedures approved by the Fund's Board of Directors, and are reported as Level 3 securities. As a general principle, the fair value of a security is the amount which the Fund might reasonably expect to receive for the security upon its current sale. However, in light of the judgment involved in fair valuations, there can be no assurance that a fair value assigned to a particular security will be the amount which the Fund might be able to receive upon its current sale. In addition, if, between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that are significant and may make the closing price unreliable, the Fund may fair value the security. The Fund uses an independent pricing service to provide fair value estimates for relevant non-U.S. equity securities on days when the U.S. market volatility exceeds a certain threshold. This pricing service uses proprietary correlations it has developed between the movement of prices of non-U.S. equity securities and indices of U.S.-traded securities, futures contracts and other indications to estimate the fair value of relevant non-U.S. securities. When fair value pricing is employed, the prices of securities used by the Fund may differ from quoted or published prices for the same security. Investments in money market funds are valued at net asset value per share.

Various inputs are used in determining the value of the Fund's investments, as noted above. These inputs are summarized in the three broad levels below:

#### Level 1

quoted prices in active markets for identical securities.

#### Level 2

other significant observable inputs (including quoted prices for similar securities, foreign securities that may be fair valued and repurchase agreements). The table below includes all Level 2 securities. Level 2 securities with values based on quoted prices for similar securities are noted in the Schedule of Investments.

#### Level 3

significant unobservable inputs (including last trade price before trading was suspended, or at a discount thereto for lack of marketability or otherwise, market price information regarding other securities, information received from the company and/or published documents, including SEC filings and financial statements, or other publicly available information).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Fund's investments as of December 31, 2014. For a detailed breakout of common stocks by sector classification, please refer to the Schedule of Investments.

LEVEL 1	LEVEL 2	LEVEL 3	TOTAL	Common Stocks	\$1,098,540,403	\$168,146,367	\$270,001
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<b>\$1,266,956,771</b>	Preferred Stocks	1,216,350	<b>1,216,350</b>	Cash Equivalents	29,555,000	<b>29,555,000</b>
------------------------	------------------	-----------	------------------	------------------	------------	-------------------

For the year ended December 31, 2014, certain securities have transferred in and out of Level 1 and Level 2 measurements. The Fund recognizes transfers between levels as of the end of the reporting period. At December 31, 2014, securities valued at \$85,574,953 were transferred from Level 1 to Level 2 within the fair value hierarchy.

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## Royce Value Trust

### Notes to Financial Statements (continued)

#### VALUATION OF INVESTMENTS (continued):

##### Level 3 Reconciliation:

	REALIZED AND UNREALIZED		BALANCE AS OF 12/31/13	SALES	GAIN (LOSS) <sup>1</sup>	BALANCE AS
OF 12/31/14	Common Stocks	\$ 131,709	\$ 138,292	\$ 270,001	Preferred Stocks	1,578,555
(289,799)	1,216,350	1				72,406

The net change in unrealized appreciation (depreciation) is included in the accompanying Statement of Operations. Change in unrealized appreciation (depreciation) includes net unrealized appreciation (depreciation) resulting from changes in investment values during the reporting period and the reversal of previously recorded unrealized appreciation (depreciation) when gains or losses are realized. Net realized gain (loss) from investments and foreign currency transactions is included in the accompanying Statement of Operations.

##### REPURCHASE AGREEMENTS:

The Fund may enter into repurchase agreements with institutions that the Fund's investment adviser has determined are creditworthy. The Fund restricts repurchase agreements to maturities of no more than seven days. Securities pledged as collateral for repurchase agreements, which are held until maturity of the repurchase agreements, are marked-to-market daily and maintained at a value at least equal to the principal amount of the repurchase agreement (including accrued interest). Repurchase agreements could involve certain risks in the event of default or insolvency of the counter-party, including possible delays or restrictions upon the ability of the Fund to dispose of its underlying securities.

##### FOREIGN CURRENCY:

Net realized foreign exchange gains or losses arise from sales and maturities of short-term securities, sales of foreign currencies, expiration of currency forward contracts, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities, including investments in securities at the end of the reporting period, as a result of changes in foreign currency exchange rates.

##### SECURITIES LENDING:

The Fund loans securities through a lending agent to qualified institutional investors for the purpose of realizing additional income. Collateral for the Fund on all securities loaned is accepted in cash and cash equivalents and invested temporarily by the custodian. The collateral maintained is at least 100% of the current market value of the loaned securities. The market value of the loaned securities is determined at the close of business of the Fund and any additional required collateral is delivered to the Fund on the next business day. The Fund retains the risk of any loss on the securities on loan as well as incurring the potential loss on investments purchased with cash collateral received for securities lending. The Fund's securities lending income consists of the income earned on investing cash collateral, income plus any premium payments received for lending certain securities, less any rebates paid to borrowers and lending agent fees associated with the loan. The lending agent is not affiliated with Royce.

##### TAXES:

As a qualified regulated investment company under Subchapter M of the Internal Revenue Code, the Fund is not subject to income taxes to the extent that it distributes substantially all of its taxable income for its fiscal year. The Schedule of Investments includes information regarding income taxes under the caption Tax Information.

##### CAPITAL GAINS TAXES:

The Fund is subject to a tax imposed on short-term capital gains on securities of issuers domiciled in certain countries. The Fund records an estimated deferred tax liability for these securities that have been held for less than one year. This amount, if any, is reported as deferred capital gains tax in the accompanying Statement of Assets and Liabilities, assuming those positions were disposed of at the end of the period, and accounted for as a reduction in the market value of the security.

**DISTRIBUTIONS:**

The Fund pays quarterly distributions on the Fund's Common Stock at the annual rate of 7% of the rolling average of the prior four calendar quarter-end NAVs of the Fund's Common Stock, with the fourth quarter distribution being the greater of 1.75% of the rolling average or the distribution required by IRS regulations. Prior to November 15, 2012, distributions to Preferred Stockholders were accrued daily and paid quarterly. Distributions to Common Stockholders are recorded on ex-dividend date. Distributable capital gains and/or net investment income were first allocated to Preferred Stockholder distributions, with any excess allocable to Common Stockholders. If capital gains and/or net investment income were allocated to both Preferred and Common Stockholders, the tax character of such allocations was proportional. To the extent that distributions are not paid from long-term capital gains, net investment income or net short-term capital gains, they will represent a return of capital. Distributions are determined in accordance with income tax regulations that may

## Royce Value Trust

### Notes to Financial Statements (continued)

#### DISTRIBUTIONS (continued):

differ from accounting principles generally accepted in the United States of America. Permanent book and tax differences relating to stockholder distributions will result in reclassifications within the capital accounts. Undistributed net investment income may include temporary book and tax basis differences, which will reverse in a subsequent period. Any taxable income or gain remaining undistributed at fiscal year end is distributed in the following year.

On June 19, 2013, the Fund purchased 10,160 common shares of Royce Global Value Trust, Inc. ( RGT ) for \$100,076. On October 18, 2013, the Fund contributed \$99,899,924 in cash and securities in exchange for shares of RGT, and on the same date distributed all shares of RGT valued at \$100,000,000 to Fund stockholders of record as of October 10, 2013, at the rate of one share of RGT for every seven shares of the Fund's Common Stock outstanding. In connection with the spinoff of RGT, the securities contributed included \$15,972,444 in unrealized depreciation.

#### INVESTMENT TRANSACTIONS AND RELATED INVESTMENT INCOME:

Investment transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Non-cash dividend income is recorded at the fair market value of the securities received. Interest income is recorded on an accrual basis. Premium and discounts on debt securities are amortized using the effective yield-to-maturity method. Realized gains and losses from investment transactions are determined on the basis of identified cost for book and tax purposes.

#### EXPENSES:

The Fund incurs direct and indirect expenses. Expenses directly attributable to the Fund are charged to the Fund's operations, while expenses applicable to more than one of the Royce Funds are allocated equitably. Certain personnel, occupancy costs and other administrative expenses related to the Funds are allocated by Royce & Associates, LLC ( Royce ) under an administration agreement and are included in administrative and office facilities and professional fees. The Fund has adopted a deferred fee agreement that allows the Directors to defer the receipt of all or a portion of directors' fees otherwise payable. The deferred fees are invested in certain Royce Funds until distributed in accordance with the agreement.

#### COMPENSATING BALANCE CREDITS:

The Fund has an arrangement with its custodian bank, whereby a portion of the custodian's fee is paid indirectly by credits earned on the Fund's cash on deposit with the bank. This deposit arrangement is an alternative to purchasing overnight investments. Conversely, the Fund pays interest to the custodian on any cash overdrafts, to the extent they are not offset by credits earned on positive cash balances.

#### Capital Stock:

The Fund issued 3,894,284 and 1,699,025 shares of Common Stock as reinvestment of distributions for the years ended December 31, 2014 and December 31, 2013, respectively.

#### Borrowings:

The Fund has entered into a revolving credit agreement (the credit agreement) with BNP Paribas Prime Brokerage Inc. (BNPP). The Fund pays a commitment fee of 0.50% per annum on the unused portion of the credit agreement. The credit agreement has a 360-day rolling term that resets daily; however, if the Fund exceeds certain net asset value triggers, the credit agreement may convert to a 60-day rolling term that resets daily. The Fund is required to pledge portfolio securities as collateral in an amount up to two times the loan balance outstanding and has granted a security interest in the securities pledged to, and in favor of, BNPP as security for the loan balance outstanding. If the Fund fails to meet certain requirements, or maintain other financial covenants required under the credit agreement, the Fund may be required to repay immediately, in part or in full, the loan balance outstanding under the credit agreement necessitating the sale of portfolio securities at potentially inopportune times. The credit agreement also permits, subject to certain conditions, BNPP to rehypothecate portfolio securities pledged by the Fund up to the amount of the loan balance outstanding. The Fund continues to receive payments in lieu of dividends and interest on rehypothecated securities. The Fund also has the right under the credit agreement to recall the rehypothecated securities from BNPP on demand. If BNPP fails to deliver the recalled security in a timely manner, the Fund is compensated by BNPP for any fees or losses related to the failed delivery or, in the event a recalled security is not returned by BNPP, the Fund, upon notice to BNPP, may reduce the loan balance outstanding by the amount of the recalled security failed to be returned. The Fund receives a portion of the fees earned by BNPP in connection with the rehypothecation of portfolio securities.



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As of December 31, 2014, the Fund has outstanding borrowings of \$70,000,000. During the year ended December 31, 2014, the Fund borrowed an average daily balance of \$64,397,260 at a weighted average borrowing cost of 1.18%. The maximum amount outstanding during the year ended December 31, 2014 was \$110,000,000. As of December 31, 2014, the aggregate value of rehypothecated securities was \$65,826,540. During the year ended December 31, 2014, the Fund earned \$332,075 in fees from rehypothecated securities.

## Royce Value Trust

### Notes to Financial Statements (continued)

#### Investment Advisory Agreement:

As compensation for its services under the Investment Advisory Agreement, Royce receives a fee comprised of a Basic Fee ( Basic Fee ) and an adjustment to the Basic Fee based on the investment performance of the Fund in relation to the investment record of the S&P SmallCap 600 Index ( S&P 600 ).

The Basic Fee is a monthly fee equal to 1/12 of 1% (1% on an annualized basis) of the average of the Fund's month-end net assets applicable to Common Stockholders, plus the liquidation value of outstanding Preferred Stock, for the rolling 60-month period ending with such month (the performance period). The Basic Fee for each month is increased or decreased at the rate of 1/12 of .05% for each percentage point that the investment performance of the Fund exceeds, or is exceeded by, the percentage change in the investment record of the S&P 600 for the performance period by more than two percentage points. The performance period for each such month is a rolling 60-month period ending with such month. The maximum increase or decrease in the Basic Fee for any month may not exceed 1/12 of .5%. Accordingly, for each month, the maximum monthly fee rate as adjusted for performance is 1/12 of 1.5% and is payable if the investment performance of the Fund exceeds the percentage change in the investment record of the S&P 600 by 12 or more percentage points for the performance period, and the minimum monthly fee rate as adjusted for performance is 1/12 of .5% and is payable if the percentage change in the investment record of the S&P 600 exceeds the investment performance of the Fund by 12 or more percentage points for the performance period.

Notwithstanding the foregoing, Royce is not entitled to receive any fee for any month when the investment performance of the Fund for the rolling 36-month period ending with such month is negative. In the event that the Fund's investment performance for such a performance period is less than zero, Royce will not be required to refund to the Fund any fee earned in respect of any prior performance period.

For the twelve rolling 60-month periods in 2014, the Fund's investment performance ranged from 8% to 46% below the investment performance of the S&P 600. Accordingly, the net investment advisory fee consisted of a Basic Fee of \$11,225,376 and a net downward adjustment of \$5,433,699 for the performance of the Fund relative to that of the S&P 600. For the year ended December 31, 2014, the Fund accrued and paid Royce investment advisory fees totaling \$5,791,677.

#### Purchases and Sales of Investment Securities:

For the year ended December 31, 2014, the costs of purchases and proceeds from sales of investment securities, other than short-term securities, amounted to \$548,967,546 and \$491,321,593, respectively.

#### Distributions to Stockholders:

The tax character of distributions paid to common stockholders during 2014 and 2013 was as follows:

DISTRIBUTIONS PAID FROM:	2014	2013	Ordinary income	\$ 29,761,905	\$ 32,048,727	Long-term capital gain
	103,510,136	123,982,076	\$ 133,272,041	\$ 156,030,803		

As of December 31, 2014, the tax basis components of distributable earnings included in stockholders' equity were as follows:

Net unrealized appreciation (depreciation)	\$ 295,416,299	Post October loss*	(22,786)	Undistributed ordinary income	3,495,452	Undistributed capital gains	45,086,193	\$ 343,975,158	*
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Under the current tax law, capital losses and foreign currency losses after October 31 may be deferred and treated as occurring on the first day of the following fiscal year. As of December 31, 2014, the Fund had \$22,786 of post October currency losses.

The difference between book and tax basis unrealized appreciation (depreciation) is attributable primarily to the tax deferral on wash sales, partnership investments and the unrealized gains on Passive Foreign Investment Companies.

For financial reporting purposes, capital accounts and distributions to stockholders are adjusted to reflect the tax character of permanent book/tax differences. These differences are primarily due to differing treatments of income and gains on various investment securities and foreign currency transactions held by the Fund, timing differences and different characterization of distributions made by the Fund. For the year ended December 31, 2014, the Fund recorded the following permanent reclassifications. Results of operations and net assets were not affected by these reclassifications.

UNDISTRIBUTED NET	ACCUMULATED NET INVESTMENT INCOME	REALIZED GAIN (LOSS)	\$(3,283,348)
\$3,283,348			

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Management has analyzed the Fund's tax positions taken on federal income tax returns for all open tax years (2011-2014) and has concluded that as of December 31, 2014, no provision for income tax is required in the Fund's financial statements.

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## Royce Value Trust

### Notes to Financial Statements (continued)

#### **Transactions in Affiliated Companies:**

An **Affiliated Company** as defined in the Investment Company Act of 1940, is a company in which a fund owns 5% or more of the company's outstanding voting securities at any time during the period. The Fund effected the following transactions in shares of such companies for the year ended December 31, 2014:

	SHARES	MARKET VALUE	COST OF	COST OF	REALIZED	DIVIDEND	SHARES	MARKET VALUE
AFFILIATED COMPANY	12/31/13	12/31/13	12/31/13	PURCHASES	SALES	GAIN (LOSS)	INCOME	12/31/14
Stanley Furniture	50,000	\$ 192,000	\$2,549,923			1,012,235	\$2,773,524	Timberland Bancorp
	444,200	4,273,204	\$79,956	444,200	4,708,520		<b>\$4,465,204</b>	<b>\$79,956</b>
								<b>\$7,482,044</b>

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## Royce Value Trust

### Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of  
Royce Value Trust, Inc.  
New York, New York

We have audited the accompanying statement of assets and liabilities of Royce Value Trust, Inc., ( Fund ) including the schedule of investments, as of December 31, 2014, and the related statement of operations and statement of cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits 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 and financial highlights are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2014, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Royce Value Trust, Inc. at December 31, 2014, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

TAIT, WELLER, & BAKER LLP

Philadelphia, Pennsylvania  
February 23, 2015

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## Royce Micro-Cap Trust

Schedule of Investments	Common Stocks	109.4%	SHARES	VALUE	CONSUMER
<b>DISCRETIONARY 18.9%</b>	AUTO COMPONENTS	- 2.6%			

China Zenix Auto International ADR 1

32,182 \$ 46,020

**Drew Industries 1,2**

68,300 3,488,081

Fuel Systems Solutions 1

171,000 1,870,740

Global & Yuasa Battery

53,800 1,932,315

Motorcar Parts of America 1

50,000 1,554,500

Spartan Motors

55,500 291,930

Standard Motor Products

26,000 991,120 **10,174,706** DISTRIBUTORS - 0.9%

Core-Mark Holding Company

25,200 1,560,636

Weyco Group

59,600 1,768,332 **3,328,968** DIVERSIFIED CONSUMER SERVICES - 1.8%

American Public Education 1

61,700 2,274,879

Capella Education

2,700 207,792

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Collectors Universe

76,000 1,585,360

Liberty Tax 1

45,100 1,611,874

Lincoln Educational Services

476,300 1,343,166 **7,023,071** HOTELS, RESTAURANTS & LEISURE - 0.5%

Monarch Casino & Resort 1

31,997 530,830

MTY Food Group

41,700 1,209,939 **1,740,769** HOUSEHOLD DURABLES - 3.7%

Cavco Industries 1

3,091 245,024

Ethan Allen Interiors 2

73,400 2,273,198

Flexsteel Industries 2

90,600 2,921,850

iRobot Corporation 1,2

15,000 520,800

**Lifetime Brands**

188,494 3,242,097

Skullcandy 1

78,200 718,658

Skyline Corporation 1

183,400 742,770

Stanley Furniture 1

93,468 256,102

Turtle Beach 1,2,3

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235,218 750,345

Universal Electronics 1

39,900 2,594,697 **14,265,541** INTERNET & CATALOG RETAIL - 1.0%

Blue Nile 1

41,600 1,498,016

FTD Companies 1

69,700 2,426,954 **3,924,970** LEISURE PRODUCTS - 1.9%

Arctic Cat

31,500 1,118,250

LeapFrog Enterprises Cl. A 1,2,3

384,300 1,813,896

Nautilus 1

195,900 2,973,762

Smith & Wesson Holding Corporation 1,2

155,900 1,476,373 **7,382,281** MEDIA - 1.4%

Rentrak Corporation 1

25,800 1,878,756

Saga Communications Cl. A

12,100 526,108

Value Line

169,000 2,813,850 **5,218,714** MULTILINE RETAIL - 0.1%

Tuesday Morning 1

23,600 **512,120** SPECIALTY RETAIL - 2.9%

Aeropostale 1

165,000 382,800

America's Car-Mart 1,2,3

33,500 1,788,230



**Destination Maternity**

206,100 3,287,295

Kirkland s 1

12,300 290,772

Le Chateau Cl. A 1

685,000 471,682

Lewis Group

57,000 364,723

Shoe Carnival 2

31,628 812,523

Stage Stores 2

25,000 517,500

Systemax 1,2

44,000 594,000

Tandy Leather Factory

44,233 399,424

TravelCenters of America LLC 1

106,363 1,342,301

West Marine 1

86,000 1,111,120

**11,362,370**

TEXTILES, APPAREL & LUXURY GOODS - 2.1%

Crown Crafts

216,259 1,665,194

Culp

70,500 1,528,440

J.G. Boswell Company 4

2,490 2,345,605

Movado Group 2

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44,374 1,258,891

YGM Trading

781,000 1,415,271 **8,213,401** **Total (Cost \$58,260,440)** **73,146,911** **CONSUMER STAPLES**  
**1.8%** BEVERAGES - 0.1%

Crimson Wine Group 1,4

58,124 **546,365** FOOD PRODUCTS - 1.5%

Alico

20,000 1,000,600

Farmer Bros. 1

40,500 1,192,725

John B. Sanfilippo & Son

3,500 159,250

**Seneca Foods Cl. A 1**

51,400 1,389,342

**Seneca Foods Cl. B 1**

42,500 1,368,500

SunOpta 1

48,900 579,465

Waterloo Investment Holdings 1,5

806,207 306,359 **5,996,241** PERSONAL PRODUCTS - 0.2%

Inter Parfums 2

24,800 **680,760** **Total (Cost \$4,272,416)** **7,223,366** **ENERGY 2.4%** ENERGY EQUIPMENT &  
SERVICES - 1.1%

Dawson Geophysical

53,213 650,795

Geospace Technologies 1,2

9,500 251,750

Gulf Island Fabrication

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29,116	564,559				
Matrix Service 1,2					
38,100	850,392				
Newpark Resources 1					
63,400	604,836				
North American Energy Partners					
50,000	157,000				
Pioneer Energy Services 1,2					
57,500	318,550				
Tesco Corporation 2					
58,000	743,560	<b>4,141,442</b>		OIL, GAS & CONSUMABLE FUELS - 1.3%	
Approach Resources 1,2,3					
12,000	76,680				
Harvest Natural Resources 1					
13,176	23,849				
<b>Permian Basin Royalty Trust</b>					
406,333	3,880,480				
Resolute Energy 1,2,3					
102,100	134,772				
Sprott Resource 1					
91,800	148,549				
StealthGas 1					
74,500	470,095				
VAALCO Energy 1,2					
79,100	360,696	<b>5,095,121</b>	<b>Total (Cost \$10,971,336)</b>	<b>9,236,563</b>	<b>FINANCIALS 18.0%</b>
BANKS - 1.9%					
Bank of N.T. Butterfield & Son					

438,100 871,819

BCB Holdings 1

906,207 169,490

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December 31, 2014

<b>Schedule of Investments (continued)</b>	<b>SHARES</b>	<b>VALUE</b>	<b>FINANCIALS (continued)</b>
<b>BANKS (continued)</b>			

Bryn Mawr Bank

25,000 \$ 782,500

Chemung Financial

31,000 858,390

Fauquier Bankshares 2

140,200 2,646,976

First Bancorp (The)

40,200 727,218

First Internet Bancorp

28,500 477,090

Peapack-Gladstone Financial

53,606 994,927 **7,528,410** CAPITAL MARKETS - 8.6%

ASA Gold and Precious Metals

206,150 2,084,177

Cowen Group 1

353,900 1,698,720

**Diamond Hill Investment Group**

27,879 3,848,417

Equity Trustees

42,229 665,624

FBR &amp; Co. 1

51,684 1,270,910

Fiera Capital Cl. A

78,000 852,642

FXCM Cl. A 2

60,980 1,010,439

INTL FCStone 1,2

26,310 541,197

JZ Capital Partners

253,999 1,593,464

Medley Management Cl. A

145,800 2,143,260

**MVC Capital 2**

387,400 3,808,142

Newtek Business Services 1

78,100 1,152,756

OHA Investment

230,820 1,082,546

Queen City Investments 4

948 1,033,320

RHJ International 1

230,000 1,284,784

**Silvercrest Asset Management Group Cl. A**

228,600 3,577,590

Sprott

622,200 1,306,738

U.S. Global Investors Cl. A

651,254 2,018,887

Urbana Corporation

237,600 409,020

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Westwood Holdings Group 2

29,800	1,842,236	<b>33,224,869</b>	CONSUMER FINANCE - 1.3%
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EZCORP Cl. A 1,2

234,400	2,754,200		
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J.G. Wentworth Company Cl. A 1

160,000	1,705,600		
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Regional Management 1

51,400	812,634	<b>5,272,434</b>	DIVERSIFIED FINANCIAL SERVICES - 1.4%
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Banca Finnat Euramerica

1,310,000	640,355		
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GAIN Capital Holdings

25,000	225,500		
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HF2 Financial Management Cl. A 1

292,160	3,029,699		
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PICO Holdings 1,2

45,700	861,445		
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Warsaw Stock Exchange

52,900	681,632	<b>5,438,631</b>	INSURANCE - 2.2%
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Hallmark Financial Services 1

120,782	1,460,255		
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Independence Holding Company

105,380	1,470,051		
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National Western Life Insurance Cl. A 2

7,033	1,893,635		
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State Auto Financial 2,3

109,264	2,427,846		
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United Fire Group 2

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38,603	1,147,667	<b>8,399,454</b>	REAL ESTATE INVESTMENT TRUSTS (REITS) - 0.4%
BRT Realty Trust 1			
230,331	<b>1,607,710</b>		REAL ESTATE MANAGEMENT & DEVELOPMENT - 2.0%
AV Homes 1			
36,400	530,348		
Consolidated-Tomoka Land			
28,844	1,609,495		
Forestar Group 1,2,3			
53,000	816,200		
Griffin Land & Nurseries			
47,746	1,435,245		
<b>Tejon Ranch 1,2,3</b>			
112,162	3,304,293		
<b>Tejon Ranch (Warrants) 1</b>			
13,146	23,005	<b>7,718,586</b>	THRIFTS & MORTGAGE FINANCE - 0.2%
Alliance Bancorp, Inc. of Pennsylvania			
40,162	<b>716,892</b>	<b>Total (Cost \$62,464,037)</b>	<b>69,906,986</b> <b>HEALTH CARE</b> <b>10.4%</b> BIOTECHNOLOGY
	- 0.7%		
ARIAD Pharmaceuticals 1,2,3			
134,102	921,281		
ArQule 1			
70,000	85,400		
Celsion Corporation 1			
115,555	269,243		
ChemoCentryx 1			
70,000	478,100		
Coronado Biosciences 1			



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297,400 725,656

Rigel Pharmaceuticals 1

152,392 345,930 **2,825,610** HEALTH CARE EQUIPMENT & SUPPLIES - 5.1%

Allied Healthcare Products 1

61,772 113,661

AngioDynamics 1,2,3

70,163 1,333,799

**Atrion Corporation**

12,132 4,125,001

Cerus Corporation 1,2,3

140,000 873,600

CryoLife

54,473 617,179

Cynosure Cl. A 1

6,500 178,230

Derma Sciences 1

74,958 697,859

**Exactech 1,2**

137,200 3,233,804

Invacare Corporation 2

126,300 2,116,788

Meridian Bioscience

71,500 1,176,890

RTI Surgical 1

10,000 52,000

STRATEC Biomedical

14,000 774,800

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Synergetics USA 1,2

156,435 680,492

Syneron Medical 1

69,200 645,636

Trinity Biotech ADR Cl. A

55,800 977,058

Utah Medical Products

38,100 2,287,905 **19,884,702** HEALTH CARE PROVIDERS & SERVICES - 2.7%

Addus HomeCare 1

66,000 1,601,820

Bio-Reference Laboratories 1,2

14,900 478,737

CorVel Corporation 1,2

40,000 1,488,800

**Cross Country Healthcare 1**

250,498 3,126,215

PDI 1

65,383 117,035

PharMerica Corporation 1,2

40,000 828,400

Psychemedics Corporation

77,900 1,173,953

U.S. Physical Therapy

33,257 1,395,464 **10,210,424** HEALTH CARE TECHNOLOGY - 0.3%

Computer Programs and Systems

5,000 303,750

HealthStream 1

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24,227	714,212	<b>1,017,962</b>	PHARMACEUTICALS - 1.6%		
Agile Therapeutics 1,2,3					
80,000	491,200				
Relypsa 1					
87,000	2,679,600				
Repros Therapeutics 1					
129,000	1,286,130				
Theravance Biopharma 1					
124,000	1,850,080	<b>6,307,010</b>	<b>Total (Cost \$30,358,622)</b>	<b>40,245,708</b>	<b>INDUSTRIALS 23.1%</b>
	<b>AEROSPACE &amp; DEFENSE - 1.8%</b>				
Astronics Corporation 1					
6,444	356,418				
Astronics Corporation Cl. B 1,4					
764	41,997				
Breeze-Eastern Corporation 1					
24,233	245,965				
CPI Aerostructures 1					

81,021 849,910

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## Royce Micro-Cap Trust

Schedule of Investments (continued)	SHARES	VALUE	INDUSTRIALS (continued)
AEROSPACE & DEFENSE (continued)			

Ducommun 1

93,800 \$ 2,371,264

Innovative Solutions and Support 1

142,828 454,193

Kratos Defense &amp; Security Solutions 1

72,324 363,066

SIFCO Industries

45,800 1,335,070

Sparton Corporation 1,2

35,700 1,011,738 **7,029,621** AIR FREIGHT & LOGISTICS - 0.1%

Echo Global Logistics 1

16,100 **470,120** BUILDING PRODUCTS - 2.0%

AAON 2

30,300 678,417

American Woodmark 1,2,3

46,600 1,884,504

Apogee Enterprises

31,900 1,351,603

Burnham Holdings Cl. A 4

117,000 2,340,000

Griffon Corporation 2

36,300 482,790

Insteel Industries

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39,000	919,620	<b>7,656,934</b>	COMMERCIAL SERVICES & SUPPLIES - 1.3%
CompX International Cl. A			
107,500	1,268,500		
Heritage-Crystal Clean 1			
226,377	2,791,228		
Intersections			
88,900	347,599		
Team 1,2,3			
17,500	708,050	<b>5,115,377</b>	CONSTRUCTION & ENGINEERING - 3.0%
Ameresco Cl. A 1			
295,700	2,069,900		
<b>Integrated Electrical Services 1</b>			
570,682	4,451,320		
Layne Christensen 1,2			
50,000	477,000		
MYR Group 1,2,3			
107,100	2,934,540		
Orbit Garant Drilling 1			
1,512,500	1,809,584	<b>11,742,344</b>	ELECTRICAL EQUIPMENT - 1.6%
AZZ			
16,494	773,899		
Encore Wire 2			
15,000	559,950		
Global Power Equipment Group			
60,449	834,801		
LSI Industries			
93,012	631,551		

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Orion Energy Systems 1

100,000 550,000

Powell Industries

28,400 1,393,588

Preformed Line Products

18,143 991,152

Vicor 1

30,000 363,000 **6,097,941** INDUSTRIAL CONGLOMERATES - 0.6%

Raven Industries 2

93,400 **2,335,000** MACHINERY - 6.3%

Alamo Group

14,200 687,848

ARC Group Worldwide 1,2,3

39,250 397,995

CIRCOR International 2

1,100 66,308

Columbus McKinnon

24,350 682,774

Douglas Dynamics

50,000 1,071,500

Eastern Company (The)

39,750 681,712

Energy Recovery 1,2,3

21,200 111,724

Foster (L.B.) Company 2,3

59,200 2,875,344

**Graham Corporation 2**

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107,050 3,079,829

Hurco Companies

57,266 1,952,198

Kadant

24,400 1,041,636

Luxfer Holdings ADR

45,100 673,343

**NN**

164,300 3,378,008

Pfeiffer Vacuum Technology

21,000 1,743,167

PMFG 1

223,245 1,167,571

Sun Hydraulics

17,100 673,398

Tennant Company 2,3

37,200 2,684,724

Wabash National 1

125,500 1,551,180

**24,520,259**

MARINE - 0.3%

Clarkson

32,700 **965,226**

PROFESSIONAL SERVICES - 2.3%

Acacia Research 2,3

58,800 996,072

CBIZ 1

47,000 402,320

Franklin Covey 1

84,100 1,628,176

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GP Strategies 1

2,000 67,860

Heidrick & Struggles International

73,468 1,693,437

ICF International 1

15,700 643,386

Kforce 2

71,000 1,713,230

Mistras Group 1

4,100 75,153

Resources Connection

20,000 329,000

RPX Corporation 1

104,900 1,445,522

**8,994,156**

ROAD & RAIL - 2.1%

**FRP Holdings 1,2**

109,081 4,277,066

Marten Transport

5,200 113,672

**Universal Truckload Services 2**

134,200 3,826,042

**8,216,780**

TRADING COMPANIES & DISTRIBUTORS - 1.4%

Aceto Corporation

72,219 1,567,152

Houston Wire & Cable

162,075 1,936,796

Lawson Products 1

50,269 1,335,648



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MFC Industrial

70,000 495,600 **5,335,196** TRANSPORTATION INFRASTRUCTURE - 0.3%

Touax

53,197 **947,166** **Total (Cost \$62,550,925)** **89,426,120** **INFORMATION TECHNOLOGY 23.0%**  
 COMMUNICATIONS EQUIPMENT - 1.4%

Applied Optoelectronics 1,2,3

7,500 84,150

Bel Fuse Cl. A

67,705 1,641,169

CalAmp Corporation 1

60,200 1,101,660

Ceragon Networks 1

29,700 29,997

ClearOne

25,000 241,500

Comtech Telecommunications

17,300 545,296

Extreme Networks 1

320,000 1,129,600

KVH Industries 1

8,900 112,585

PCTEL

44,100 381,906

Sandvine Corporation 1

22,700 63,892

UTStarcom Holdings 1

75,200 212,816 **5,544,571** ELECTRONIC EQUIPMENT, INSTRUMENTS &  
 COMPONENTS - 7.7%

Agilysys 1

170,587 2,147,690

Deswell Industries

544,371 979,868

DTS 1

66,500 2,044,875

Identiv 1

39,900 554,211

Inficon Holding

3,600 1,116,153

LRAD Corporation 1

401,756 1,084,741

Mercury Systems 1

10,900 151,728

**Mesa Laboratories**

42,789 3,308,018

**Newport Corporation 1,2,3**

236,623 4,521,865

Orbotech 1

127,800 1,891,440

PC Connection



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RealNetworks 1

244,000 1,717,760

Reis

25,000 654,250

Stamps.com 1

3,100 148,769

Support.com 1

1,212,763 2,558,930

Textura Corporation 1,2,3

66,700 1,898,949

United Online 1

58,400 849,720

World Energy Solutions 1

100,000 550,000 **17,393,109** IT SERVICES - 1.5%

Cass Information Systems 2

29,150 1,552,238

Computer Task Group 2

189,900 1,809,747

Hackett Group (The)

103,500 909,765

Higher One Holdings 1

17,500 73,675

Innodata 1

437,275 1,276,843

Sykes Enterprises 1

6,300 147,861 **5,770,129** SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT - 4.4%

Advanced Energy Industries 1,2,3

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49,900 1,182,630

Amtech Systems 1

153,500 1,558,025

Brooks Automation

153,600 1,958,400

Cascade Microtech 1

29,300 428,073

CEVA 1

98,122 1,779,933

Entropic Communications 1

235,247 595,175

Exar Corporation 1

233,208 2,378,722

Integrated Silicon Solution

26,967 446,843

IXYS Corporation

18,800 236,880

Kulicke & Soffa Industries 1

67,900 981,834

MoSys 1,2,3

402,275 752,254

Nanometrics 1

50,800 854,456

PDF Solutions 1

6,050 89,903

Photonics 1

177,000 1,470,870

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Rubicon Technology 1,2,3

76,899 351,428

Rudolph Technologies 1,2

52,500 537,075

Silicon Image 1

60,600 334,512

Silicon Motion Technology ADR 2

18,200 430,430

Ultra Clean Holdings 1

68,800 638,464

Xcerra Corporation 1

22,400 205,184 **17,211,091** SOFTWARE - 1.6%

American Software Cl. A

170,252 1,550,996

BSQUARE Corporation 1

98,675 448,971

Envivio 1

489,376 655,764

ePlus 1

31,299 2,369,021

SeaChange International 1

204,000 1,301,520 **6,326,272** TECHNOLOGY HARDWARE, STORAGE & PERIPHERALS - 1.9%

Avid Technology 1

51,900 737,499

Intevac 1

279,500 2,171,715

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Kortek					
135,007	1,218,828				
Qumu Corporation 1					
202,200	2,764,074				
TransAct Technologies					
78,600	422,082	<b>7,314,198</b>	<b>Total (Cost \$78,794,174)</b>	<b>89,255,396</b>	<b>MATERIALS 6.9%</b>
	CHEMICALS - 2.3%				
Balchem Corporation 2					
11,775	784,686				
FutureFuel Corporation					
126,700	1,649,634				
Hawkins 2					
29,697	1,286,771				
KMG Chemicals					
58,300	1,166,000				
Landec Corporation 1					
75,610	1,044,174				
Quaker Chemical					
30,400	2,798,016	<b>8,729,281</b>			CONSTRUCTION MATERIALS - 0.6%
Ash Grove Cement 4					
8,000	1,612,000				
Monarch Cement 4					
28,803	792,082	<b>2,404,082</b>			CONTAINERS & PACKAGING - 0.3%
UFP Technologies 1					
44,336	<b>1,090,001</b>				METALS & MINING - 3.7%
AuRico Gold					
91,250	299,300				

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Central Steel & Wire 4

788 588,833

Comstock Mining 1

565,000 429,400

Exeter Resource 1

196,500 115,876

Geodrill 1

252,300 125,955

Haynes International 2

48,801 2,366,848

Hecla Mining

44,518 124,205

Horsehead Holding Corporation 1,2,3

11,900 188,377

Imdex 1

633,900 245,766

MAG Silver 1

96,050 782,808

Major Drilling Group International

460,857 2,265,014

Materion Corporation

50,000 1,761,500

Midway Gold 1

345,000 255,300

Olympic Steel

103,100 1,833,118

Pretium Resources 1



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90,000 519,797

RTI International Metals 1,2,3

25,000 631,500

Universal Stainless & Alloy Products 1

74,800 1,881,220 **14,414,817** PAPER & FOREST PRODUCTS - 0.0%

Qunxing Paper Holdings 1,5

1,500,000 **19,343** **Total (Cost \$25,330,529)** **26,657,524** **UTILITIES 0.0%** INDEPENDENT  
POWER & RENEWABLE ELECTRICITY PRODUCER - 0.0%

Alterra Power 1

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450,000	125,882	Total (Cost \$200,516)	125,882	MISCELLANEOUS6	4.9%	Total (Cost
\$19,329,253)	18,888,585		TOTAL COMMON STOCKS	(Cost \$352,532,248)		424,113,041

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS 2014 Annual Report to Stockholders | 35

**Royce Micro-Cap Trust** December 31, 2014 **Schedule of Investments (continued)**

SHARES VALUE PREFERRED STOCK 0.3%

**Seneca Foods Conv.1,4**

45,409 \$ 1,181,996

(Cost \$578,719)

1,181,996	REPURCHASE AGREEMENT	0.7%	Fixed Income Clearing Corporation, 0.00% dated
12/31/14, due 1/2/15, maturity value \$2,656,000 (collateralized by obligations of various U.S. Government Agencies, 0.75% due			
10/31/17, valued at \$2,709,563)	(Cost \$2,656,000)	2,656,000	TOTAL INVESTMENTS 110.4%
(Cost \$355,766,967)	427,951,037		LIABILITIES LESS CASH AND OTHER ASSETS (10.4)%
(40,463,062 )	NET ASSETS	100.0%	\$ 387,487,975

New additions in 2014. 1 Non-income producing. 2

All or a portion of these securities were pledged as collateral in connection with the revolving credit agreement at December 31, 2014. Total market value of pledged securities at December 31, 2014, was \$96,173,597.

3

At December 31, 2014, a portion of these securities were rehypothecated in connection with the Fund's revolving credit agreement in the aggregate amount of \$27,492,842.

4

These securities are defined as Level 2 securities due to fair value being based on quoted prices for similar securities. See Notes to Financial Statements.

5

Securities for which market quotations are not readily available represent 0.1% of net assets. These securities have been valued at their fair value under procedures approved by the Fund's Board of Directors. These securities are defined as Level 3 securities due to the use of significant unobservable inputs in the determination of fair value. See Notes to Financial Statements.

6

Includes securities first acquired in 2014 and less than 1% of net assets.

**Bold indicates the Fund's 20 largest equity holdings in terms of December 31, 2014, market value.**

**TAX INFORMATION:** The cost of total investments for Federal income tax purposes was \$358,198,776. At December 31, 2014, net unrealized appreciation for all securities was \$69,752,261, consisting of aggregate gross unrealized appreciation of \$104,023,303 and aggregate gross unrealized depreciation of \$34,271,042. The primary difference between book and tax basis cost is the timing of the recognition of losses on securities sold.





36 | 2014 Annual Report to Stockholders **THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS****Royce Micro-Cap Trust** December 31, 2014

**Statement of Assets and Liabilities**

ASSETS:	Total investments at value	\$ 425,295,037	Repurchase agreements (at cost and value)	2,656,000	Cash and foreign currency	186	Receivable for investments sold	20,320,036	Receivable for dividends and interest	340,072	Prepaid expenses and other assets	25,699	<b>Total Assets</b>	<b>448,637,030</b>
LIABILITIES:	Revolving credit agreement	60,000,000	Payable for investments purchased	665,684	Payable for investment advisory fee	351,353	Payable for directors' fees	23,147	Payable for interest expense	3,962	Accrued expenses	104,909	<b>Total Liabilities</b>	<b>61,149,055</b>
												<b>Net Assets</b>	<b>\$ 387,487,975</b>	

ANALYSIS OF NET ASSETS:  
 Paid-in capital - \$0.001 par value per share; 34,185,464 shares outstanding (150,000,000 shares authorized) \$ 289,687,913  
 Undistributed net investment income (loss) (1,763,387) Accumulated net realized gain (loss) on investments and foreign currency 27,385,489 Net unrealized appreciation (depreciation) on investments and foreign currency 72,177,960 **Net Assets (net asset value per share - \$11.33) \$ 387,487,975**

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS** 2014 Annual Report to Stockholders | 37

**Royce Micro-Cap Trust** Year Ended December 31, 2014

**Statement of Operations**

INVESTMENT INCOME:	INCOME:	Dividends	\$ 4,549,037	Foreign withholding tax	(91,626)	Rehypothecation income	116,882	<b>Total income</b>	<b>4,574,293</b>	EXPENSES:	Investment advisory fees	3,921,649	Interest expense	541,552	Stockholder reports	150,861	Custody and transfer agent fees	98,826	Directors' fees	83,171	Professional fees	53,558	Administrative and office facilities	48,144	Other expenses	59,471	<b>Total expenses</b>	<b>4,957,232</b>	Compensating balance credits	(7)	<b>Net expenses</b>	<b>4,957,225</b>	<b>Net investment income (loss)</b>	<b>(382,932)</b>	<b>REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY:</b>	NET REALIZED GAIN (LOSS):	Investments in Non-Affiliated Companies	92,315,444	Investments in Affiliated Companies	2,201,756	Foreign currency transactions	(13,142)	NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION):	Investments and foreign currency translations	(85,893,164)	Other assets and liabilities denominated in foreign currency	(9,910)	<b>Net realized and unrealized gain (loss) on investments and foreign currency</b>	<b>8,600,984</b>	<b>NET INCREASE (DECREASE) IN NET ASSETS FROM INVESTMENT OPERATIONS</b>	<b>\$ 8,218,052</b>
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**Royce Micro-Cap Trust**

<b>Statement of Changes in Net Assets</b>		<b>YEAR ENDED 12/31/14</b>	<b>YEAR ENDED 12/31/13</b>
INVESTMENT OPERATIONS:	Net investment income (loss)	\$ (382,932)	\$ 290,965
investments and foreign currency		94,504,058	56,051,091
investments and foreign currency		(85,903,074)	80,679,878
<b>operations</b>	<b>8,218,052</b>	<b>137,021,934</b>	<b>DISTRIBUTIONS:</b>
			Net investment income
			(1,343,094)
			(933,371)
			Net realized gain on investments and foreign currency
			(89,530,419)
			(39,825,192)
			<b>Total distributions</b>
			<b>(90,873,513)</b>
			<b>(40,758,563)</b>
CAPITAL STOCK TRANSACTIONS:	Reinvestment of distributions	37,022,256	18,312,849
capital stock transactions		37,022,256	18,312,849
			<b>Net Increase (Decrease) In Net Assets</b>
			<b>(45,633,205)</b>
			<b>114,576,220</b>
NET ASSETS:	Beginning of year	433,121,180	318,544,960

End of year (including undistributed net investment income (loss) of \$(1,763,387) at 12/31/14 and \$(612,327) at 12/31/13)

\$ 387,487,975 \$ 433,121,180

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS 2014 Annual Report to Stockholders | 39

## Royce Micro-Cap Trust

December 31, 2014

**Statement of Cash Flows** CASH FLOWS FROM OPERATING ACTIVITIES: Net increase (decrease) in net assets from investment operations \$ 8,218,052 Adjustments to reconcile net increase (decrease) in net assets from investment operations to net cash provided by operating activities:

Purchases of long-term investments

(177,191,465 )

Proceeds from sales and maturities of long-term investments

202,364,759

Net purchases, sales and maturities of short-term investments

13,745,000

Net (increase) decrease in dividends and interest receivable and other assets

258,460

Net increase (decrease) in interest expense payable, accrued expenses and other liabilities

58,681

Net change in unrealized appreciation (depreciation) on investments

85,893,164

Net realized gain on investments and foreign currency

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(94,504,058 ) **Net cash provided by operating activities** **38,842,593** CASH FLOWS FROM FINANCING ACTIVITIES:  
 Net increase (decrease) in revolving credit agreement 15,000,000 Distributions (90,873,513 ) Reinvestment of  
 distributions 37,022,256 **Net cash used for financing activities** **(38,851,257 ) INCREASE (DECREASE) IN CASH:**  
**(8,664 ) Cash and foreign currency at beginning of year 8,850 Cash and foreign currency at end of year \$ 186**  
 40 | 2014 Annual Report to Stockholders **THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS**

## Royce Micro-Cap Trust

### Financial Highlights

This table is presented to show selected data for a share of Common Stock outstanding throughout each period, and to assist stockholders in evaluating the Fund's performance for the periods presented.

YEARS ENDED	12/31/14	12/31/13	12/31/12	12/31/11	12/31/10	Net Asset Value, Beginning of Period \$ 14.12 \$												
<b>10.93</b>	<b>\$ 9.86</b>	<b>\$ 11.34</b>	<b>\$ 8.90</b>	INVESTMENT OPERATIONS:					Net investment income (loss)									
(0.01 )	0.01	0.15	0.04	0.08	Net realized and unrealized gain (loss) on investments and foreign currency					0.25								
4.64	1.58	(0.82)	2.58	<b>Total investment operations</b>					<b>0.24</b>	<b>4.65</b>	<b>1.73</b>	<b>(0.78)</b>	<b>2.66</b>	DISTRIBUTIONS				
TO PREFERRED STOCKHOLDERS:					Net investment income					(0.02 ) (0.02 ) (0.10 )								
Net realized gain on investments and foreign currency					(0.09 ) (0.11 ) (0.03 )					<b>Total distributions to Preferred Stockholders</b>								
					<b>(0.11 ) (0.13 ) (0.13 )</b>													

### Net Increase (Decrease) in Net Assets Applicable to Common Stockholders from Investment Operations

<b>0.24</b>	<b>4.65</b>	<b>1.62</b>	<b>(0.91)</b>	<b>2.53</b>	DISTRIBUTIONS TO COMMON STOCKHOLDERS:					Net					
investment income	(0.04 )	(0.03 )	(0.08 )	(0.05 )	(0.06 )	Net realized gain on investments and foreign currency									
(2.86 )	(1.35 )	(0.43 )	(0.24 )	(0.02 )	Return of capital					(0.24 )					
<b>Common Stockholders</b>					<b>(2.90 ) (1.38 ) (0.51 ) (0.53 ) (0.08 )</b>					<b>Total distributions to</b>					
										CAPITAL STOCK TRANSACTIONS:					
Effect of reinvestment of distributions by Common Stockholders					(0.13 ) (0.08 ) (0.04 ) (0.04 ) (0.01 )					<b>Total</b>					
<b>capital stock transactions</b>					<b>(0.13 ) (0.08 ) (0.04 ) (0.04 ) (0.01 )</b>					<b>Net Asset Value, End of Period \$ 11.33 \$</b>					
<b>14.12</b>	<b>\$ 10.93</b>	<b>\$ 9.86</b>	<b>\$ 11.34</b>	<b>Market Value, End of Period \$ 10.08 \$ 12.61 \$ 9.45 \$ 8.77 \$ 9.80</b>					TOTAL						
RETURN:1					Net Asset Value					3.46 % 44.66 % 17.23 % (7.69 )% 28.50 %					
3.06 %					49.42 %					13.95 % (4.99 )% 34.10 %					

### RATIOS BASED ON AVERAGE NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS:

Investment advisory fee expense <sup>2</sup>	0.93 %	0.82 %	1.12 %	0.97 %	0.97 %	Other operating								
expenses	0.25 %	0.29 %	0.18 %	0.15 %	0.15 %	Total expenses (net) <sup>3</sup>								
1.12 %	Expenses net of fee waivers and excluding interest expense					1.05 % 0.96 % 1.27 % 1.12 % 1.12 %								
Expenses prior to fee waivers and balance credits					1.18 % 1.11 % 1.32 % 1.15 % 1.17 %					Expenses prior to fee				
waivers					1.18 % 1.11 % 1.32 % 1.15 % 1.17 %					Net investment income (loss)				
										(0.09 )% 0.08 % 1.46 % 0.40 % 0.84 %				
SUPPLEMENTAL DATA:					Net Assets Applicable to Common Stockholders, End of Period									
(in thousands)	\$ 387,488	\$ 433,121	\$ 318,545	\$ 279,292	\$ 311,279	Liquidation Value of Preferred Stock, End of								
Period (in thousands)	\$ 60,000 \$ 60,000					Portfolio Turnover Rate								
					41 % 29 % 28 % 30 % 27 %									
PREFERRED STOCK:					Total shares outstanding					2,400,000 2,400,000				
coverage per share					\$ 141.37 \$ 154.70					Liquidation preference per share				
										\$ 25.00 \$ 25.00				
Average month-end market value per share					\$ 25.41 \$ 25.11					REVOLVING CREDIT AGREEMENT:				
Asset coverage					746 % 1062 % 808 %					Asset coverage per \$1,000				
										\$ 7,458 \$ 10,625 \$				

8,079

1

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The Market Value Total Return is calculated assuming a purchase of Common Stock on the opening of the first business day and a sale on the closing of the last business day of each period. Dividends and distributions are assumed for the purposes of this calculation to be reinvested at prices obtained under the Fund's Distribution Reinvestment and Cash Purchase Plan. Net Asset Value Total Return is calculated on the same basis, except that the Fund's net asset value is used on the purchase and sale dates instead of market value.

2

The investment advisory fee is calculated based on average net assets over a rolling 36-month basis, while the above ratios of investment advisory fee expenses are based on the average net assets applicable to Common Stockholders over a 12-month basis.

3

Expense ratios based on total average net assets including liquidation value of Preferred Stock were 1.10%, 0.93% and 0.91% for the years ended December 31, 2012, 2011 and 2010, respectively.



THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS 2014 Annual Report to Stockholders | 41

## Royce Micro-Cap Trust

### Notes to Financial Statements

#### Summary of Significant Accounting Policies

Royce Micro-Cap Trust, Inc. (the "Fund"), is a diversified closed-end investment company that was incorporated under the laws of the State of Maryland on September 9, 1993. The Fund commenced operations on December 14, 1993.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 Financial Services-Investment Companies .

#### VALUATION OF INVESTMENTS:

Securities are valued as of the close of trading on the New York Stock Exchange (NYSE) (generally 4:00 p.m. Eastern time) on the valuation date. Securities that trade on an exchange, and securities traded on Nasdaq's Electronic Bulletin Board, are valued at their last reported sales price or Nasdaq official closing price taken from the primary market in which each security trades or, if no sale is reported for such day, at their highest bid price. Other over-the-counter securities for which market quotations are readily available are valued at their highest bid price, except in the case of some bonds and other fixed income securities which may be valued by reference to other securities with comparable ratings, interest rates and maturities, using established independent pricing services. The Fund values its non-U.S. dollar denominated securities in U.S. dollars daily at the prevailing foreign currency exchange rates as quoted by a major bank. Securities for which market quotations are not readily available are valued at their fair value in accordance with the provisions of the 1940 Act, under procedures approved by the Fund's Board of Directors, and are reported as Level 3 securities. As a general principle, the fair value of a security is the amount which the Fund might reasonably expect to receive for the security upon its current sale. However, in light of the judgment involved in fair valuations, there can be no assurance that a fair value assigned to a particular security will be the amount which the Fund might be able to receive upon its current sale. In addition, if, between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that are significant and may make the closing price unreliable, the Fund may fair value the security. The Fund uses an independent pricing service to provide fair value estimates for relevant non-U.S. equity securities on days when the U.S. market volatility exceeds a certain threshold. This pricing service uses proprietary correlations it has developed between the movement of prices of non-U.S. equity securities and indices of U.S.-traded securities, futures contracts and other indications to estimate the fair value of relevant non-U.S. securities. When fair value pricing is employed, the prices of securities used by the Fund may differ from quoted or published prices for the same security. Investments in money market funds are valued at net asset value per share.

Various inputs are used in determining the value of the Fund's investments, as noted above. These inputs are summarized in the three broad levels below:

**Level 1** quoted prices in active markets for identical securities. **Level 2**

other significant observable inputs (including quoted prices for similar securities, foreign securities that may be fair valued and repurchase agreements). The table below includes all Level 2 securities. Level 2 securities with values based on quoted prices for similar securities are noted in the Schedule of Investments.

**Level 3**

significant unobservable inputs (including last trade price before trading was suspended, or at a discount thereto for lack of marketability or otherwise, market price information regarding other securities, information received from the company and/or published documents, including SEC filings and financial statements, or other publicly available information).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Fund's investments as of December 31, 2014. For a detailed breakout of common stocks by sector classification, please refer to the Schedule of Investments.

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL	Common Stocks	\$ 396,037,385	\$ 27,749,954	\$ 325,702	\$ 424,113,041
Preferred Stocks		1,181,996		1,181,996	Cash Equivalents		2,656,000	2,656,000	

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For the year ended December 31, 2014, certain securities have transferred in and out of Level 1 and Level 2 measurements. The Fund recognizes transfers between levels as of the end of the reporting period. At December 31, 2014, securities valued at \$9,556,664 were transferred from Level 1 to Level 2 within the fair value hierarchy.

## Royce Micro-Cap Trust

### Notes to Financial Statements (continued)

#### VALUATION OF INVESTMENTS (continued):

<b>Level 3 Reconciliation:</b>	<b>BALANCE AS OF 12/31/13</b>		<b>UNREALIZED GAIN (LOSS)<sup>1</sup></b>	<b>BALANCE AS OF</b>
<b>12/31/14</b> Common Stocks	\$139,469	\$186,233	\$325,702	1

The net change in unrealized appreciation (depreciation) is included in the accompanying Statement of Operations. Change in unrealized appreciation (depreciation) includes net unrealized appreciation (depreciation) resulting from changes in investment values during the reporting period and the reversal of previously recorded unrealized appreciation (depreciation) when gains or losses are realized. Net realized gain (loss) from investments and foreign currency transactions is included in the accompanying Statement of Operations.

#### REPURCHASE AGREEMENTS:

The Fund may enter into repurchase agreements with institutions that the Fund's investment adviser has determined are creditworthy. The Fund restricts repurchase agreements to maturities of no more than seven days. Securities pledged as collateral for repurchase agreements, which are held until maturity of the repurchase agreements, are marked-to-market daily and maintained at a value at least equal to the principal amount of the repurchase agreement (including accrued interest). Repurchase agreements could involve certain risks in the event of default or insolvency of the counter-party, including possible delays or restrictions upon the ability of the Fund to dispose of its underlying securities.

#### FOREIGN CURRENCY:

Net realized foreign exchange gains or losses arise from sales and maturities of short-term securities, sales of foreign currencies, expiration of currency forward contracts, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities, including investments in securities at the end of the reporting period, as a result of changes in foreign currency exchange rates.

#### TAXES:

As a qualified regulated investment company under Subchapter M of the Internal Revenue Code, the Fund is not subject to income taxes to the extent that it distributes substantially all of its taxable income for its fiscal year. The Schedule of Investments includes information regarding income taxes under the caption "Tax Information".

#### DISTRIBUTIONS:

The Fund pays quarterly distributions on the Fund's Common Stock at the annual rate of 7% of the rolling average of the prior four calendar quarter-end NAVs of the Fund's Common Stock, with the fourth quarter distribution being the greater of 1.75% of the rolling average or the distribution required by IRS regulations. Prior to November 15, 2012, distributions to Preferred Stockholders were accrued daily and paid quarterly. Distributions to Common Stockholders are recorded on ex-dividend date. Distributable capital gains and/or net investment income were first allocated to Preferred Stockholder distributions, with any excess allocable to Common Stockholders. If capital gains and/or net investment income were allocated to both Preferred and Common Stockholders, the tax character of such allocations was proportional. To the extent that distributions are not paid from long-term capital gains, net investment income or net short-term capital gains, they will represent a return of capital. Distributions are determined in accordance with income tax regulations that may differ from accounting principles generally accepted in the United States of America. Permanent book and tax differences relating to stockholder distributions will result in reclassifications within the capital accounts. Undistributed net investment income may include temporary book and tax basis differences, which will reverse in a subsequent period. Any taxable income or gain remaining undistributed at fiscal year end is distributed in the following year.

#### INVESTMENT TRANSACTIONS AND RELATED INVESTMENT INCOME:

Investment transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Non-cash dividend income is recorded at the fair market value of the securities received. Interest income is recorded on an accrual basis. Premium and discounts on debt securities are amortized using the effective yield-to-maturity method. Realized gains and losses from investment transactions are determined on the basis of identified cost for book and tax purposes.

#### EXPENSES:

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The Fund incurs direct and indirect expenses. Expenses directly attributable to the Fund are charged to the Fund's operations, while expenses applicable to more than one of the Royce Funds are allocated equitably. Certain personnel, occupancy costs and other administrative expenses related to the Funds are allocated by Royce & Associates, LLC ( Royce ) under an administration agreement and are included in administrative and office facilities and professional fees. The Fund has adopted a deferred fee agreement that allows the Directors to defer the receipt of all or a portion of directors' fees otherwise payable. The deferred fees are invested in certain Royce Funds until distributed in accordance with the agreement.

## Royce Micro-Cap Trust

### Notes to Financial Statements (continued)

#### COMPENSATING BALANCE CREDITS:

The Fund has an arrangement with its custodian bank, whereby a portion of the custodian's fee is paid indirectly by credits earned on the Fund's cash on deposit with the bank. This deposit arrangement is an alternative to purchasing overnight investments. Conversely, the Fund pays interest to the custodian on any cash overdrafts, to the extent they are not offset by credits earned on positive cash balances.

#### Capital Stock:

The Fund issued 3,505,620 and 1,542,544 shares of Common Stock as reinvestment of distributions for the years ended December 31, 2014 and December 31, 2013, respectively.

#### Borrowings:

The Fund has entered into a revolving credit agreement (the credit agreement) with BNP Paribas Prime Brokerage Inc. (BNPP). The Fund pays a commitment fee of 0.50% per annum on the unused portion of the credit agreement. The credit agreement has a 360-day rolling term that resets daily; however, if the Fund exceeds certain net asset value triggers, the credit agreement may convert to a 60-day rolling term that resets daily. The Fund is required to pledge portfolio securities as collateral in an amount up to two times the loan balance outstanding and has granted a security interest in the securities pledged to, and in favor of, BNPP as security for the loan balance outstanding. If the Fund fails to meet certain requirements, or maintain other financial covenants required under the credit agreement, the Fund may be required to repay immediately, in part or in full, the loan balance outstanding under the credit agreement necessitating the sale of portfolio securities at potentially inopportune times. The credit agreement also permits, subject to certain conditions, BNPP to rehypothecate portfolio securities pledged by the Fund up to the amount of the loan balance outstanding. The Fund continues to receive payments in lieu of dividends and interest on rehypothecated securities. The Fund also has the right under the credit agreement to recall the rehypothecated securities from BNPP on demand. If BNPP fails to deliver the recalled security in a timely manner, the Fund is compensated by BNPP for any fees or losses related to the failed delivery or, in the event a recalled security is not returned by BNPP, the Fund, upon notice to BNPP, may reduce the loan balance outstanding by the amount of the recalled security failed to be returned. The Fund receives a portion of the fees earned by BNPP in connection with the rehypothecation of portfolio securities.

As of December 31, 2014, the Fund has outstanding borrowings of \$60,000,000. During the year ended December 31, 2014, the Fund borrowed an average daily balance of \$45,123,288 at a weighted average borrowing cost of 1.18%. The maximum amount outstanding during the year ended December 31, 2014 was \$60,000,000. As of December 31, 2014, the aggregate value of rehypothecated securities was \$27,492,842. During the year ended December 31, 2014, the Fund earned \$116,882 in fees from rehypothecated securities.

#### Investment Advisory Agreement:

As compensation for its services under the Investment Advisory Agreement, Royce receives a fee comprised of a Basic Fee (Basic Fee) and an adjustment to the Basic Fee based on the investment performance of the Fund in relation to the investment record of the Russell 2000.

The Basic Fee is a monthly fee equal to 1/12 of 1% (1% on an annualized basis) of the average of the Fund's month-end net assets applicable to Common Stockholders, plus the liquidation value of outstanding Preferred Stock, for the rolling 36-month period ending with such month (the "performance period"). The Basic Fee for each month is increased or decreased at the rate of 1/12 of .05% for each percentage point that the investment performance of the Fund exceeds, or is exceeded by, the percentage change in the investment record of the Russell 2000 for the performance period by more than two percentage points. The performance period for each such month is a rolling 36-month period ending with such month. The maximum increase or decrease in the Basic Fee for any month may not exceed 1/12 of .5%. Accordingly, for each month, the maximum monthly fee rate as adjusted for performance is 1/12 of 1.5% and is payable if the investment performance of the Fund exceeds the percentage change in the investment record of the Russell 2000 by 12 or more percentage points for the performance period, and the minimum monthly fee rate as adjusted for performance is 1/12 of .5% and is payable if the percentage change in the investment record of the Russell 2000 exceeds the investment performance of the Fund by 12 or more percentage points for the performance period.

For the twelve rolling 36-month periods in 2014, the Fund's investment performance ranged from 0% to 5% above the investment performance of the Russell 2000. Accordingly, the net investment advisory fee consisted of a Basic Fee of \$3,734,812 and a net upward adjustment of \$186,837 for the performance of the Fund relative to that of the Russell 2000. For year ended December 31, 2014, the Fund accrued and paid Royce investment advisory fees totaling \$3,921,649.

**Purchases and Sales of Investment Securities:**

For the year ended December 31, 2014, the costs of purchases and proceeds from sales of investment securities, other than short-term securities, amounted to \$176,970,496 and \$208,456,342, respectively.

## Royce Micro-Cap Trust

### Notes to Financial Statements (continued)

#### Distributions to Stockholders:

The tax character of distributions paid to common stockholders during 2014 and 2013 was as follows:

DISTRIBUTIONS PAID FROM:	2014	2013	Ordinary income	\$15,250,124	\$ 8,388,113	Long-term capital gain
	75,623,389	32,370,450	\$90,873,513	\$40,758,563		

As of December 31, 2014, the tax basis components of distributable earnings included in stockholders' equity were as follows:

Net unrealized appreciation (depreciation)	\$69,746,151	Undistributed ordinary income	3,465,207	Undistributed capital gains	24,588,704	\$97,800,062
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The difference between book and tax basis unrealized appreciation (depreciation) is attributable primarily to the tax deferral on wash sales, partnership investments and the unrealized gains on Passive Foreign Investment Companies.

For financial reporting purposes, capital accounts and distributions to stockholders are adjusted to reflect the tax character of permanent book/tax differences. These differences are primarily due to differing treatments of income and gains on various investment securities and foreign currency transactions held by the Fund, timing differences and different characterization of distributions made by the Fund. For the year ended December 31, 2014, the Fund recorded the following permanent reclassifications. Results of operations and net assets were not affected by these reclassifications.

UNDISTRIBUTED NET	ACCUMULATED NET	PAID-IN INVESTMENT INCOME	REALIZED GAIN (LOSS)	CAPITAL
\$574,967	\$(793,139)	\$218,172		

Management has analyzed the Fund's tax positions taken on federal income tax returns for all open tax years (2011-2014) and has concluded that as of December 31, 2014, no provision for income tax is required in the Fund's financial statements.

#### Transactions in Affiliated Companies:

An Affiliated Company as defined in the Investment Company Act of 1940, is a company in which a fund owns 5% or more of the company's outstanding voting securities at any time during the period. The Fund effected the following transactions in shares of such companies for the year ended December 31, 2014:

SHARES	MARKET VALUE	COST OF	COST OF	REALIZED	DIVIDEND	SHARES	MARKET VALUE	AFFILIATED COMPANY
12/31/13	12/31/13	PURCHASES	SALES	GAIN (LOSS)	INCOME	12/31/14	12/31/14	Integrated Electrical Services <sup>1</sup>
\$5,035,338	\$1,038,268	\$1,738,234	\$2,201,756			\$5,035,338	\$2,201,756	934,200

at December 31, 2014.

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## Royce Micro-Cap Trust

### Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of  
**Royce Micro-Cap Trust, Inc.**  
**New York, New York**

We have audited the accompanying statement of assets and liabilities of Royce Micro-Cap Trust, Inc., ( Fund ) including the schedule of investments, as of December 31, 2014, and the related statement of operations and statement of cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits 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 and financial highlights are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2014, by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Royce Micro-Cap Trust, Inc. at December 31, 2014, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

TAIT, WELLER, & BAKER LLP

Philadelphia, Pennsylvania  
 February 23, 2015



## Royce Global Value Trust December 31, 2014

Schedule of Investments		Common Stocks	100.3%	SHARES	VALUE	ARGENTINA	0.6%
BBVA Banco Frances ADR							
44,000	\$ 606,760	Total (Cost \$277,917)	606,760	AUSTRALIA	1.3%		
ALS							
45,300	196,017						
Collection House							
137,821	232,936						
Iindex 1							
1,174,100	455,204						
Medusa Mining 1							
82,600	43,955						
Programmed Maintenance Services							
71,600	149,673						
TFS Corporation							
85,000	106,704						
Webjet							
31,300	73,482	Total (Cost \$1,916,986)	1,257,971	AUSTRIA	2.0%		
Mayr-Melnhof Karton							
7,500	778,314						
Semperit AG Holding							
19,300	933,929						
Zumtobel Group							
8,200	184,695	Total (Cost \$1,911,857)	1,896,938	BELGIUM	1.9%		
Ion Beam Applications 1							

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20,300 352,161

Picanol Group 1

1,400 44,963

RHJ International 1

153,000 854,661

Van de Velde

10,936 515,218 **Total (Cost \$3,492,887) 1,767,003 BERMUDA 1.6%**

GP Investments BDR1

47,500 103,116

**Lazard CI. A**

29,000 1,450,870 **Total (Cost \$1,301,527) 1,553,986 BRAZIL 3.8%**

Brasil Brokers Participacoes

292,500 278,172

Brasil Insurance Participacoes e Administracao

26,100 33,060

**CETIP - Mercados Organizados**

102,000 1,235,331

LPS Brasil Consultoria de Imoveis

152,000 367,402

MAHLE Metal Leve

25,000 197,078

Mills Estruturas e Servicos de Engenharia

12,800 45,963

T4F Entretenimento 1

190,500 206,421

Totvs

63,000 828,932

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Valid Solucoes

25,000	396,321	<b>Total (Cost \$4,863,695)</b>	<b>3,588,680</b>	<b>CANADA</b>	<b>7.9%</b>
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Agnico Eagle Mines

20,000	497,800
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AirBoss of America

10,300	108,337
--------	---------

Alamos Gold

38,000	271,475
--------	---------

Canyon Services Group

10,900	84,344
--------	--------

COM DEV International

27,000	92,727
--------	--------

Computer Modelling Group

43,300	445,001
--------	---------

E-L Financial

900	529,093
-----	---------

FLYHT Aerospace Solutions 1

140,000	44,586
---------	--------

Franco-Nevada Corporation

16,000	787,040
--------	---------

HNZ Group

5,700	101,460
-------	---------

Horizon North Logistics

41,100	93,393
--------	--------

Magellan Aerospace

34,000	395,662
--------	---------

Major Drilling Group International

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155,500 764,249

MTY Food Group

6,800 197,304

Pan American Silver

63,700 586,040

**Ritchie Bros. Auctioneers**

54,300 1,460,127

Sprott

430,600 904,341

Total Energy Services

5,200 58,096

Western Forest Products

39,100 90,868 **Total (Cost \$9,723,869)** 7,511,943 **CHILE 0.1%**

Forus

23,000 **95,760 Total (Cost \$100,215)** 95,760 **CHINA 1.4%**

Daphne International Holdings

1,696,500 615,429

Daqo New Energy ADR 1

1,800 47,412

Hopefluent Group Holdings

280,000 86,898

Noah Holdings ADR 1

16,700 349,030

Pacific Online

402,700 187,632

Xtep International Holdings

213,000 85,796 **Total (Cost \$2,059,730)** 1,372,197 **CYPRUS 0.2%**

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Globaltrans Investment GDR

42,000    213,259    **Total (Cost \$480,518)**    213,259    **DENMARK    0.7%**

Chr Hansen

12,500    556,186

Zealand Pharma 1

6,200    83,613    **Total (Cost \$530,284)**    639,799    **FINLAND    1.3%**

BasWare

1,100    54,637

Nokian Renkaat

9,000    220,444

Vaisala Cl. A

35,000    928,249    **Total (Cost \$1,721,960)**    1,203,330    **FRANCE    6.8%**

aufeminin 1

3,000    92,307

**Gaztransport Et Technigaz**

16,000    944,939

Lectra

8,700    96,230

Manutan International

12,700    629,697

Neurones

6,200    103,964

Nexity

18,500    699,871

Paris Orleans

30,755    661,790

Prodware 1

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13,600 115,177

Societe Internationale de Plantations d Heveas

6,500 259,125

**Stallergenes**

17,800 1,065,266

**Vetoquinol**

27,200 1,181,514

Virbac

3,000 629,432 **Total (Cost \$7,253,276)** **6,479,312** **GERMANY 2.7%**

Aixtron ADR 1

53,300 597,493

Amadeus Fire

2,000 150,443

GFT Technologies

6,300 93,893

Hawesko Holding

1,500 75,334

KUKA

9,000 638,565

LPKF Laser & Electronics

50,500 661,649

mutares

900 77,206

Schaltbau Holding

1,400 71,248

Tomorrow Focus

39,600 180,967

XING

406 45,591 **Total (Cost \$3,585,984)** 2,592,389**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS** 2014 Annual Report to Stockholders | 47

## Royce Global Value Trust

<b>Schedule of Investments (continued)</b>	<b>SHARES</b>	<b>VALUE</b>	<b>GREECE</b>	<b>0.4%</b>
Hellenic Exchanges - Athens Stock Exchange				
48,000		\$ 269,807		
StealthGas 1				
12,800	80,768	<b>Total (Cost \$624,880)</b>	<b>350,575</b>	<b>HONG KONG 10.0%</b>
Anxin-China Holdings				
2,500,000		158,646		
China Metal International Holdings				
430,000		148,561		
Comba Telecom Systems Holdings				
332,540		117,659		
First Pacific				
180,000		177,448		
Great Eagle Holdings				
240,000		776,985		
I.T				
500,000		144,124		
Le Saunda Holdings				
268,600		100,936		
Luen Thai Holdings				
475,000		86,865		
Luk Fook Holdings (International)				
120,100		449,756		



**Midland Holdings 1**

2,150,000 1,086,282

**New World Department Store China**

3,319,700 1,061,273

Oriental Watch Holdings

2,223,000 429,241

**Pico Far East Holdings**

6,396,400 1,465,724

Sitoy Group Holdings

425,000 343,951

Television Broadcasts

161,000 934,553

Texwinca Holdings

1,052,000 908,457

Tse Sui Luen Jewellery (International)

215,000 80,320

Value Partners Group

896,700 748,902

YGM Trading

169,400 306,974 **Total (Cost \$11,941,500) 9,526,657 INDONESIA 1.0%**

Ramayana Lestari Sentosa

3,500,000 223,449

Selamat Sempurna

591,800 225,719

Supra Boga Lestari 1

13,945,000 500,833 **Total (Cost \$1,167,542) 950,001 ISRAEL 0.1%**

Fox Wizel

2,900 **68,560 Total (Cost \$63,203) 68,560 ITALY 0.7%**

De Longhi

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37,000    **670,105**    **Total (Cost \$565,971)**    **670,105**    **JAPAN**    **11.0%**

**EPS Corporation**

112,500    1,332,578

FamilyMart

8,200    306,119

Freund Corporation

72,200    626,153

Fujimori Kogyo

3,300    92,234

GCA Savvian

8,300    78,921

G-Tekt Corporation

11,000    104,290

Itoki Corporation

34,300    175,712

Mandom Corporation

2,000    65,691

Milbon

3,100    84,389

Miraial

20,000    280,382

MISUMI Group

11,600    381,030

Moshi Moshi Hotline

100,000    912,096

Namura Shipbuilding

9,600    102,892

Nishikawa Rubber

28,200 480,254

Nitto Kohki

26,600 480,245

Obara Group

3,900 173,149

**Relo Holdings**

20,000 1,419,988

Ryobi

36,000 97,546

Santen Pharmaceutical

10,000 535,159

Shimano

5,600 724,361

SPARX Group

66,400 111,750

Sun Frontier Fudousan

8,000 73,393

T Hasegawa

7,000 98,303

Tokai Corporation/Gifu

14,400 429,420

Trancom

22,200 894,266

YAMADA Consulting Group

6,400 164,642

Zuiko Corporation

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5,500	238,054	<b>Total (Cost \$10,487,292)</b>	<b>10,463,017</b>	<b>LUXEMBOURG</b>	<b>0.1%</b>
Atento1					
12,000	<b>125,400</b>	<b>Total (Cost \$180,000)</b>	<b>125,400</b>	<b>MALAYSIA</b>	<b>1.6%</b>
Asia Brands					
82,000	69,789				
CB Industrial Product Holding					
1,000,000	574,263				
CB Industrial Product Holding (Warrants) 1					
166,666	22,642				
Media Chinese International					
2,000,000	428,932				
Media Prima					
199,500	99,725				
NTPM Holdings					
1,742,300	308,334	<b>Total (Cost \$1,689,993)</b>	<b>1,503,685</b>	<b>MEXICO</b>	<b>1.9%</b>
<b>Bolsa Mexicana de Valores</b>					
650,000	1,177,192				
Fresnillo					
55,000	652,673	<b>Total (Cost \$2,160,619)</b>	<b>1,829,865</b>	<b>NEW ZEALAND</b>	<b>0.2%</b>
Trade Me					
83,000	<b>231,662</b>	<b>Total (Cost \$280,441)</b>	<b>231,662</b>	<b>NORWAY</b>	<b>2.1%</b>
Borregaard					
15,200	112,982				
Ekornes					
45,000	573,636				
Oslo Bors VPS Holding					
10,200	104,012				

**TGS-NOPEC Geophysical**

55,000 1,189,999 **Total (Cost \$2,516,422)** 1,980,629 **PHILIPPINES 1.5%**

Asian Terminals

375,000 96,574

GMA Holdings PDR

775,000 116,110

**Universal Robina**

270,000 1,175,997 **Total (Cost \$1,025,229)** 1,388,681 **SINGAPORE 2.8%**

Hour Glass (The)

1,458,000 703,232

Pan-United Corporation

800,000 507,251

Parkson Retail Asia

277,700 167,712

**Silverlake Axis**

1,360,000 1,286,587 **Total (Cost \$2,509,157)** 2,664,782 **SOUTH AFRICA 5.1%**

Blue Label Telecoms

690,000 524,650

Cashbuild

30,000 425,131

Coronation Fund Managers

59,000 582,147

JSE

67,500 705,037

Lewis Group

100,000 639,865

Metrofile Holdings

321,700 138,952

Nampak

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200,000 752,541

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December 31, 2014

<b>Schedule of Investments (continued)</b>		<b>SHARES</b>	<b>VALUE</b>	<b>SOUTH AFRICA (continued)</b>	
PSG Group					
36,500	\$ 402,585				
Raubex Group					
375,000	711,594	<b>Total (Cost \$4,926,311)</b>	<b>4,882,502</b>	<b>SOUTH KOREA</b>	<b>1.5%</b>
Eugene Technology					
11,536	169,077				
Handsome					
11,400	337,847				
Hankuk Carbon					
10,000	52,484				
Huvis Corporation 1					
22,100	223,822				
Koh Young Technology					
5,400	209,731				
Sung Kwang Bend					
30,000	374,247				
Suprema 1					
2,800	64,185	<b>Total (Cost \$1,567,275)</b>	<b>1,431,393</b>	<b>SRI LANKA</b>	<b>0.1%</b>
Distilleries Company of Sri Lanka					
65,700	<b>105,411</b>	<b>Total (Cost \$108,837)</b>	<b>105,411</b>	<b>SWEDEN</b>	<b>0.4%</b>
Bufab Holding 1					
18,800	141,245				
Nolato Cl. B					
4,400	99,419				

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Recipharm 1

5,800 99,601 **Total (Cost \$350,620)** 340,265 **SWITZERLAND 0.8%**

Forbo Holding

675 675,152

Zehnder Group

3,100 128,770 **Total (Cost \$655,051)** 803,922 **TAIWAN 0.6%**

Kinik Company

31,500 64,712

Lumax International

45,000 92,152

Makalot Industrial

21,759 116,240

Shih Her Technologies

50,000 92,314

Taiwan Paiho

91,900 123,827

UDE Corporation

41,400 102,201 **Total (Cost \$598,625)** 591,446 **TURKEY 1.0%**

**Mardin Cimento Sanayii**

475,000 965,890 **Total (Cost \$1,478,000)** 965,890 **UNITED ARAB EMIRATES 0.7%**

Aramex

750,000 629,723 **Total (Cost \$652,528)** 629,723 **UNITED KINGDOM 9.6%**

**Ashmore Group**

232,500 1,008,001

Brammer

14,000 74,159

**Clarkson**



44,000 1,298,775

**Consort Medical**

95,000 1,278,399

E2V Technologies

274,500 738,509

Elementis

134,000 542,293

Fenner

50,000 166,825

Globo 1

140,000 87,101

Hargreaves Services

7,500 75,257

HellermannTyton Group

50,000 244,473

Jupiter Fund Management

93,600 525,489

Kennedy Wilson Europe Real Estate

54,956 902,788

Luxfer Holdings ADR

4,500 67,185

Mattioli Woods

10,600 74,269

Norcros

492,900 138,060

Pendragon

135,700 69,455

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Polypipe Group

57,000 218,434

Rotork

8,900 320,269

Senior

95,000 444,614

Spirax-Sarco Engineering

17,100 759,933

Trifast

82,700 138,698 **Total (Cost \$10,192,875) 9,172,986 UNITED STATES 14.8%**

Artisan Partners Asset Management Cl. A

5,000 252,650

Bel Fuse Cl. A

26,672 646,529

Brooks Automation

18,100 230,775

Cabot Corporation

10,200 447,372

Commercial Metals

42,000 684,180

Diebold

21,100 730,904

Diodes 1

20,500 565,185

EnerSys

11,000 678,920

Expeditors International of Washington

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19,300 860,973

Fairchild Semiconductor International1

49,200 830,496

Globe Specialty Metals

42,900 739,167

GrafTech International1

48,600 245,916

Greif Cl. A

13,400 632,882

Hallador Energy

18,600 204,786

Innospec

12,457 531,914

KBR

37,000 627,150

Nanometrics 1

44,500 748,490

Quaker Chemical

8,400 773,136

**Rogers Corporation 1**

12,000 977,280

Schnitzer Steel Industries Cl. A

19,100 430,896

SEACOR Holdings 1

5,000 369,050

Sensient Technologies

12,100 730,114

Sun Hydraulics

15,139 596,174

Tecumseh Products 1

84,900 262,341

Tennant Company







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4,700	339,199	<b>Total (Cost \$15,199,376)</b>	<b>14,136,479</b>	<b>TOTAL COMMON STOCKS</b>	<b>(Cost</b>
<b>\$110,162,452)</b>	<b>95,592,963</b>	<b>TOTAL INVESTMENTS</b>	<b>100.3%</b>	<b>(Cost \$110,162,452)</b>	<b>95,592,963</b>
<b>LIABILITIES LESS CASH AND OTHER ASSETS</b>	<b>(0.3)%</b>	<b>(308,225)</b>		<b>NET ASSETS</b>	<b>100.0%</b>
<b>95,284,738</b>					<b>\$</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS 2014 Annual Report to Stockholders | 49

## Royce Global Value Trust December 31, 2014

New additions in 2014. 1 Non-income producing. Securities of Global/International Funds are categorized by the country of their headquarters, with the exception of exchange-traded funds. **Bold indicates the Fund's 20 largest equity holdings in terms of December 31, 2014 market value.** **TAX INFORMATION:** The cost of total investments for Federal income tax purposes was \$111,040,259. At December 31, 2014, net unrealized depreciation for all securities was \$15,447,296, consisting of aggregate gross unrealized appreciation of \$5,411,678 and aggregate gross unrealized depreciation of \$20,858,974. The primary difference between book and tax basis cost is the timing of the recognition of losses on securities sold.

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## Royce Global Value Trust December 31, 2014

**Statement of Assets and Liabilities** ASSETS: Total investments at value \$ 95,592,963 Receivable for investments sold 21,169 Receivable for dividends and interest 106,911 Prepaid expenses and other assets 48,933 **Total Assets 95,769,976** LIABILITIES: Payable to custodian for cash overdrawn and foreign currency 315,505 Payable for investment advisory fee 100,899 Payable for directors' fees 7,102 Accrued expenses 61,732 **Total Liabilities 485,238** **Net Assets \$ 95,284,738** ANALYSIS OF NET ASSETS: Paid-in capital - \$0.001 par value per share; 10,295,972 shares outstanding (150,000,000 shares authorized) \$ 116,575,937 Undistributed net investment income (loss) (199,302) Accumulated net realized gain (loss) on investments and foreign currency (6,520,094) Net unrealized appreciation (depreciation) on investments and foreign currency (14,571,803) **Net Assets (net asset value per share - \$9.25) \$ 95,284,738** Investments at identified cost \$ 110,162,452

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS 2014 Annual Report to Stockholders | 51

## Royce Global Value Trust Year Ended December 31, 2014

**Statement of Operations** **INVESTMENT INCOME:** INCOME: Dividends \$ 3,092,530 Foreign withholding tax (248,298) Securities lending 21,376 **Total income 2,865,608** EXPENSES: Investment advisory fees 1,283,193 Custody and transfer agent fees 109,583 Stockholder reports 39,358 Professional fees 28,004 Directors' fees 26,158 Administrative and office facilities 11,622 Other expenses 32,630 **Total expenses 1,530,548** **Net investment income (loss) 1,335,060** **REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY:** NET REALIZED GAIN (LOSS): Investments (6,171,852) Foreign currency transactions (54,989) Net realized foreign capital gains tax (3,700) NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION): Investments and foreign currency translations (1,573,195) Other assets and liabilities denominated in foreign currency (738) **Net realized and unrealized gain (loss) on investments and foreign currency (7,804,474)** **NET INCREASE (DECREASE) IN NET ASSETS FROM INVESTMENT OPERATIONS \$ (6,469,414)**

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## Royce Global Value Trust

**Statement of Changes in Net Assets** **YEAR ENDED 12/31/14** **PERIOD ENDED 12/31/13**  
INVESTMENT OPERATIONS: Net investment income (loss) \$ 1,335,060 \$ (26,704) Net realized gain (loss) on



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investments and foreign currency (6,230,541 ) (264,173 )

Net change in unrealized appreciation (depreciation) on investments and foreign currency

(1,573,933 )	2,974,575	<b>Net increase (decrease) in net assets from investment operations</b>	<b>(6,469,414 )</b>	<b>2,683,698</b>
DISTRIBUTIONS:				
		Net investment income	(1,533,038 )	Net realized gain on investments and foreign
currency	<b>Total distributions</b>	<b>(1,533,038 )</b>	CAPITAL STOCK TRANSACTIONS:	
				Reinvestment
of distributions	603,492	Common shares issued in spinoff from Royce Value Trust	100,000,000	<b>Total</b>
<b>capital stock transactions</b>	<b>603,492</b>	<b>100,000,000</b>	<b>Net Increase (Decrease) In Net Assets</b>	<b>(7,398,960 )</b>
<b>102,683,698</b>	NET ASSETS:	<b>Beginning of year</b>	<b>102,683,698</b>	

End of year (including undistributed net investment income (loss) of \$(199,302) at 12/31/14 and \$(16,988) at 12/31/13)

**\$ 95,284,738    \$ 102,683,698**

1 The Fund commenced operations on October 18, 2013.

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS** 2014 Annual Report to Stockholders | 53

**Royce Global Value Trust** **Financial Highlights** This table is presented to show selected data for a share outstanding throughout each period, and to assist stockholders in evaluating the Fund's performance for the periods presented.

<b>YEAR ENDED</b>	<b>PERIOD ENDED</b>	<b>12/31/2014</b>	<b>12/31/2013</b>	<b>Net Asset Value, Beginning of Period</b>		<b>\$ 10.05</b>	<b>\$ 9.78</b>
<b>INVESTMENT OPERATIONS:</b>							
		Net investment income (loss)	0.13	(0.00)	Net realized and unrealized gain		
		(loss) on investments and foreign currency	(0.77)	0.27	<b>Net increase (decrease) in net assets from investment</b>		
<b>operations</b>	<b>(0.64)</b>	<b>0.27</b>	<b>DISTRIBUTIONS:</b>		Net investment income	(0.15)	Net realized gain on
		investments and foreign currency	<b>Total distributions</b>		<b>(0.15)</b>	<b>CAPITAL STOCK TRANSACTIONS:</b>	
		Effect of reinvestment of distributions by Common Stockholders	(0.01)	<b>Total capital stock transactions</b>		<b>(0.01)</b>	
		<b>Net Asset Value, End of Period</b>	<b>\$ 9.25</b>	<b>\$ 10.05</b>	<b>Market Value, End of Period</b>	<b>\$ 8.04</b>	<b>\$ 8.89</b>
<b>RETURN:</b>	<b>2</b>	Net Asset Value	(6.23)%	2.76%	3	Market Value	(7.86)%
<b>AVERAGE NET ASSETS:</b>		Investment advisory fee expense	1.25%	1.25%	4	Other operating expenses	0.24%
		Total expenses (net)	1.49%	1.62%	4	Expenses prior to balance credits	1.49%
		Net investment income (loss)	1.30%	(0.13)%	4	<b>SUPPLEMENTAL DATA:</b>	
						Net Assets End of Period (in thousands)	
		\$ 95,285	\$ 102,684	Portfolio Turnover Rate	43%	7%	

1 The Fund commenced operations on October 18, 2013. 2

The Market Value Total Return is calculated assuming a purchase of Common Stock on the opening of the first business day and a sale on the closing of the last business day of each period. Dividends and distributions are assumed for the purposes of this calculation to be reinvested at prices obtained under the Fund's Distribution Reinvestment and Cash Purchase Plan. Net Asset Value Total Return is calculated on the same basis, except that the Fund's net asset value is used on the purchase and sale dates instead of market value.

3 Not annualized 4 Annualized

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## Royce Global Value Trust

### Notes to Financial Statements

#### Summary of Significant Accounting Policies

Royce Global Value Trust, Inc. (the Fund), is a diversified closed-end investment company incorporated under the laws of the State of Maryland. The Fund commenced operations on October 18, 2013. The Fund had no operations prior to October 18, 2013, other than the sale of 10,160 common shares for \$100,076 to Royce Value Trust, Inc. (RVT). On October 18, 2013, RVT contributed \$99,899,924 in cash and securities in exchange for shares of the Fund, and on the same date distributed such shares to RVT holders of record as of October 10, 2013 at the rate of one share of the Fund for every seven shares of RVT Common Stock outstanding.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 Financial Services-Investment Companies.

#### VALUATION OF INVESTMENTS:

Securities are valued as of the close of trading on the New York Stock Exchange (NYSE) (generally 4:00 p.m. Eastern time) on the valuation date. Securities that trade on an exchange, and securities traded on Nasdaq's Electronic Bulletin Board, are valued at their last reported sales price or Nasdaq official closing price taken from the primary market in which each security trades or, if no sale is reported for such day, at their highest bid price. Other over-the-counter securities for which market quotations are readily available are valued at their highest bid price, except in the case of some bonds and other fixed income securities which may be valued by reference to other securities with comparable ratings, interest rates and maturities, using established independent pricing services. The Fund values its non-U.S. dollar denominated securities in U.S. dollars daily at the prevailing foreign currency exchange rates as quoted by a major bank. Securities for which market quotations are not readily available are valued at their fair value in accordance with the provisions of the 1940 Act, under procedures approved by the Fund's Board of Directors, and are reported as Level 3 securities. As a general principle, the fair value of a security is the amount which the Fund might reasonably expect to receive for the security upon its current sale. However, in light of the judgment involved in fair valuations, there can be no assurance that a fair value assigned to a particular security will be the amount which the Fund might be able to receive upon its current sale. In addition, if, between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that are significant and may make the closing price unreliable, the Fund may fair value the security. The Fund uses an independent pricing service to provide fair value estimates for relevant non-U.S. equity securities on days when the U.S. market volatility exceeds a certain threshold. This pricing service uses proprietary correlations it has developed between the movement of prices of non-U.S. equity securities and indices of U.S.-traded securities, futures contracts and other indications to estimate the fair value of relevant non-U.S. securities. When fair value pricing is employed, the prices of securities used by the Fund may differ from quoted or published prices for the same security. Investments in money market funds are valued at net asset value per share.

Various inputs are used in determining the value of the Fund's investments, as noted above. These inputs are summarized in the three broad levels below:

**Level 1** quoted prices in active markets for identical securities. **Level 2** other significant observable inputs (including quoted prices for similar securities, foreign securities that may be fair valued and repurchase agreements). The table below includes all Level 2 securities. Level 2 securities with values based on quoted prices for similar securities would be noted in the Schedule of Investments.

**Level 3** significant unobservable inputs (including last trade price before trading was suspended, or at a discount thereto for lack of marketability or otherwise, market price information regarding other securities, information received from the company and/or published documents, including SEC filings and financial statements, or other publicly available information).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Fund's investments as of December 31, 2014. For a detailed breakout of common stocks by country, please refer to the Schedule of Investments.

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LEVEL 1	LEVEL 2	LEVEL 3	TOTAL	Common Stocks	\$ 26,518,831	\$ 69,074,132	\$	<b>\$ 95,592,963</b>
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For the year ended December 31, 2014, certain securities have transferred in and out of Level 1 and Level 2 measurements. The Fund recognizes transfers between levels as of the end of the reporting period. At December 31, 2014, securities valued at \$45,476,963 were transferred from Level 1 to Level 2 within the fair value hierarchy.

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## Royce Global Value Trust

### Notes to Financial Statements (continued)

#### REPURCHASE AGREEMENTS:

The Fund may enter into repurchase agreements with institutions that the Fund's investment adviser has determined are creditworthy. The Fund restricts repurchase agreements to maturities of no more than seven days. Securities pledged as collateral for repurchase agreements, which are held until maturity of the repurchase agreements, are marked-to-market daily and maintained at a value at least equal to the principal amount of the repurchase agreement (including accrued interest). Repurchase agreements could involve certain risks in the event of default or insolvency of the counter-party, including possible delays or restrictions upon the ability of the Fund to dispose of its underlying securities.

#### FOREIGN CURRENCY:

Net realized foreign exchange gains or losses arise from sales and maturities of short-term securities, sales of foreign currencies, expiration of currency forward contracts, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities, including investments in securities at the end of the reporting period, as a result of changes in foreign currency exchange rates.

#### SECURITIES LENDING:

The Fund loans securities through a lending agent to qualified institutional investors for the purpose of realizing additional income. Collateral for the Fund on all securities loaned is accepted in cash and cash equivalents and invested temporarily by the custodian. The collateral maintained is at least 100% of the current market value of the loaned securities. The market value of the loaned securities is determined at the close of business of the Fund and any additional required collateral is delivered to the Fund on the next business day. The Fund retains the risk of any loss on the securities on loan as well as incurring the potential loss on investments purchased with cash collateral received for securities lending. The Fund's securities lending income consists of the income earned on investing cash collateral, plus any premium payments received for lending certain securities, less any rebates paid to borrowers and lending agent fees associated with the loan. The lending agent is not affiliated with Royce.

#### DISTRIBUTIONS AND TAXES:

As a qualified regulated investment company under Subchapter M of the Internal Revenue Code, the Fund is not subject to income taxes to the extent that it distributes substantially all of its taxable income for its fiscal year. The Schedule of Investments includes information regarding income taxes under the caption "Tax Information".

The Fund pays any dividends and capital gain distributions annually in December. Because federal income tax regulations differ from generally accepted accounting principles, income and capital gain distributions determined in accordance with tax regulations may differ from net investment income and realized gains recognized for financial reporting purposes. Accordingly, the character of distributions and composition of net assets for tax purposes differ from those reflected in the accompanying financial statements.

#### INVESTMENT TRANSACTIONS AND RELATED INVESTMENT INCOME:

Investment transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Non-cash dividend income is recorded at the fair market value of the securities received. Interest income is recorded on an accrual basis. Premium and discounts on debt securities are amortized using the effective yield-to-maturity method. Realized gains and losses from investment transactions are determined on the basis of identified cost for book and tax purposes.

#### EXPENSES:

The Fund incurs direct and indirect expenses. Expenses directly attributable to the Fund are charged to the Fund's operations, while expenses applicable to more than one of the Royce Funds are allocated equitably. Certain personnel, occupancy costs and other administrative expenses related to the Funds are allocated by Royce & Associates, LLC (Royce) under an administration agreement and are included in administrative and office facilities and professional fees.

#### COMPENSATING BALANCE CREDITS:

The Fund has an arrangement with its custodian bank, whereby a portion of the custodian's fee is paid indirectly by credits earned on the Fund's cash on deposit with the bank. This deposit arrangement is an alternative to purchasing overnight investments. Conversely, the Fund pays interest to the custodian on any cash overdrafts, to the extent they are not offset by credits earned on positive cash balances.

# Royce Global Value Trust

## Notes to Financial Statements (continued)

### Capital Stock:

The Fund issued 75,721 shares of Common Stock as reinvestment of distributions for the year ended December 31, 2014. The Fund issued 10,221,251 shares of Common Stock in spinoff from RVT for the period ended December 31, 2013. Securities contributed by RVT included \$15,972,444 in unrealized depreciation.

### Investment Advisory Agreement:

The Investment Advisory Agreement between Royce and the Fund provides for fees to be paid at an annual rate of 1.25% of the Fund's average daily net assets. For the year ended December 31, 2014, the Fund accrued and paid Royce investment advisory fees totaling \$1,283,193.

### Purchases and Sales of Investment Securities:

For the year ended December 31, 2014, the costs of purchases and proceeds from sales of investment securities, other than short-term securities, amounted to \$61,662,756 and \$43,379,619, respectively.

### Distributions to Stockholders:

The tax character of distributions paid to common stockholders during 2014 was as follows:

<b>DISTRIBUTIONS PAID FROM:</b>	<b>2014</b>	Ordinary income	\$ 1,533,038	Long-term capital gain	\$ 1,533,038
---------------------------------	-------------	-----------------	--------------	------------------------	--------------

As of December 31, 2014, the tax basis components of distributable earnings included in stockholders' equity were as follows:

Net unrealized appreciation (depreciation)	\$(15,449,610)	Post October loss*	(2,014,245)	Capital loss carryforward**
(3,827,344)		\$(21,291,199)		

\*Under the current tax law, capital losses and foreign currency losses after October 31 may be deferred and treated as occurring on the first day of the following fiscal year. As of December 31, 2014, the Fund had \$2,014,245 of post October currency losses.

\*\*Under the Regulated Investment Company Modernization Act of 2010, net capital losses may be carried forward indefinitely, and the character is retained as short term (32,952) and long term (3,794,392) losses.

The difference between book and tax basis unrealized appreciation (depreciation) is attributable primarily to the tax deferral on wash sales, partnership investments and the unrealized gains on Passive Foreign Investment Companies.

For financial reporting purposes, capital accounts and distributions to stockholders are adjusted to reflect the tax character of permanent book/tax differences. These differences are primarily due to differing treatments of income and gains on various investment securities and foreign currency transactions held by the Fund, timing differences and different characterization of distributions made by the Fund. For the year ended December 31, 2014, the Fund recorded the following permanent reclassifications. Results of operations and net assets were not affected by these reclassifications.

<b>UNDISTRIBUTED NET</b>	<b>ACCUMULATED NET</b>	<b>INVESTMENT INCOME</b>	<b>REALIZED GAIN (LOSS)</b>	\$15,664	\$(15,664)
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Management has analyzed the Fund's tax positions taken on federal income tax returns for all open tax years (2013-2014) and has concluded that as of December 31, 2014, no provision for income tax is required in the Fund's financial statements.

# Royce Global Value Trust

## Report of Independent Registered Public Accounting Firm

**To the Board of Directors and Stockholders of  
Royce Global Value Trust, Inc.  
New York, New York**

We have audited the accompanying statement of assets and liabilities of Royce Global Value Trust, Inc., ( Fund ) including the schedule of investments, as of December 31, 2014, and the related statement of operations for the year then ended, the statements of changes in net assets and the financial highlights for the year then ended and for the period October 18, 2013 (commencement of operations) through December 31, 2013. These financial statements and financial highlights are the responsibility of the Fund s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit.

We conducted our audits 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 and financial highlights are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund s internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2014, by correspondence with the custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Royce Global Value Trust, Inc. at December 31, 2014, the results of its operations for the year then ended, the changes in its net assets and the financial highlights for the year then ended and for the period October 18, 2013 (commencement of operations) through December 31, 2013, in conformity with accounting principles generally accepted in the United States of America.

TAIT, WELLER, & BAKER LLP

Philadelphia, Pennsylvania  
February 23, 2015

## Directors and Officers

All Directors and Officers may be reached c/o The Royce Funds, 745 Fifth Avenue, New York, NY 10151

**Charles M. Royce, Director<sup>1</sup>, President** Age: 75 | Number of Funds Overseen: 33 | Tenure: Since 1982 **Non-Royce Directorships:** Director of TICC Capital Corp. **Principal Occupation(s) During Past Five Years:** Chief Executive Officer and Chairman of Board of Managers of Royce & Associates, LLC ( Royce ), the Trust s investment adviser **Christopher D. Clark, Director<sup>1</sup>, Vice President** Age: 49 | Number of Funds Overseen: 32 | Tenure: Since 2014 **Principal Occupation(s) During Past Five Years:** President (since July 2014), Co-Chief Investment Officer (Since January 2014) and Managing Director of Royce, having been employed by Royce since May 2007.

**Patricia W. Chadwick, Director** Age: 66 | Number of Funds Overseen: 33 | Tenure: Since 2009 **Non-Royce Directorships:** Trustee of ING Mutual Funds and Director of Wisconsin Energy Corp.  
**Principal Occupation(s) During Past 5 Years:** Consultant and President of Ravengate Partners LLC (since 2000). **Richard M. Galkin, Director** Age: 76 | Number of Funds Overseen: 33 | Tenure: Since 1982 **Non-Royce Directorships:** None **Principal Occupation(s) During Past Five Years:** Private investor. Mr. Galkin s prior business experience includes having served as President of Richard M. Galkin Associates, Inc., telecommunications consultants, President of Manhattan Cable Television (a subsidiary of Time, Inc.), President of Haverhills Inc. (another Time, Inc. subsidiary), President of Rhode Island Cable Television, and Senior Vice President of Satellite Television Corp. (a subsidiary of Comsat). **Stephen L. Isaacs, Director** Age: 75 | Number of Funds Overseen: 33 | Tenure: Since 1989 **Non-Royce Directorships:** None **Principal Occupation(s) During Past Five Years:** Attorney and President of Health Policy Associates, Inc., consultants. Mr. Isaacs s prior business experience includes having served as President of the Center for Health and Social Policy (from 1996 to 2012); Director of Columbia University Development Law and Policy Program and Professor at Columbia University (until August 1996). **Arthur S. Mehlman, Director** Age: 72 | Number of Funds Overseen: 51 | Tenure: Since 2004 **Non-Royce Directorships:** Director/Trustee of registered investment companies constituting the 18 Legg Mason Funds. **Principal Occupation(s) During Past Five Years:** Director of The League for People with Disabilities, Inc.; Director of University of Maryland Foundation (non-profits). Formerly: Director of Municipal Mortgage & Equity, LLC (from October 2004 to April 1, 2011); Director of University of Maryland College Park Foundation (non-profit) (from 1998 to 2005); Partner, KPMG LLP (international accounting firm) (from 1972 to 2002); Director of Maryland Business Roundtable for Education (from July 1984 to June 2002). **David L. Meister, Director** Age: 75 | Number of Funds Overseen: 33 | Tenure: Since 1982 **Non-Royce Directorships:** None **Principal Occupation(s) During Past Five Years:** Consultant. Chairman and Chief Executive Officer of The Tennis Channel (from June 2000 to March 2005). Mr. Meister s prior business experience includes having served as Chief Executive Officer of Seniorlife.com, a consultant to the communications industry, President of Financial News Network, Senior Vice President of HBO, President of Time-Life Films, and Head of Broadcasting for Major League Baseball. **G. Peter O Brien, Director** Age: 69 | Number of Funds Overseen: 51 | Tenure: Since 2001 **Non-Royce Directorships:** Director/Trustee of registered investment companies constituting the 18 Legg Mason Funds; Director of TICC Capital Corp. **Principal Occupation(s) During Past Five Years:** Trustee Emeritus of Colgate University (since 2005); Board Member of Hill House, Inc. (since 1999); Formerly: Trustee of Colgate University (from 1996 to 2005), President of Hill House, Inc. (from 2001 to 2005) and Managing Director/Equity Capital Markets Group of Merrill Lynch & Co. (from 1971 to 1999).



**John D. Diederich, Vice President and Treasurer** Age: 63 | Tenure: Since 2001 **Principal Occupation(s) During Past Five Years:** Chief Operating Officer, Managing Director and member of the Board of Managers of Royce; Chief Financial Officer of Royce; Director of Administration of the Trust; and President of RFS, having been employed by Royce since April 1993. **Jack E. Fockler, Jr., Vice President** Age: 56 | Tenure: Since 1995 **Principal Occupation(s) During Past Five Years:** Managing Director and Vice President of Royce, and Vice President of RFS, having been employed by Royce since October 1989. **Daniel A. O Byrne, Vice President and Assistant Secretary** Age: 52 | Tenure: Since 1994 **Principal Occupation(s) During Past Five Years:** Principal and Vice President of Royce, having been employed by Royce since October 1986. **Francis D. Gannon, Vice President** Age: 47 | Tenure: Since 2014 **Principal Occupation(s) During Past Five Years:** Co-Chief Investment Officer (Since January 2014) and Managing Director of Royce, having been employed by Royce since September 2006. **John E. Denneen, Secretary and Chief Legal Officer** Age: 47 | Tenure: 1996-2001 and Since April 2002 **Principal Occupation(s) During Past Five Years:** General Counsel, Chief Legal and Compliance Officer, and Secretary of Royce; Secretary and Chief Legal Officer of The Royce Funds. **Lisa Curcio, Chief Compliance Officer** Age: 55 | Tenure: Since 2004 **Principal Occupation(s) During Past Five Years:** Chief Compliance Officer of The Royce Funds (since October 2004) and Compliance Officer of Royce (since June 2004).  
1 Interested Director. Director will hold office until their successors have been duly elected and qualified or until their earlier resignation or removal.

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## Notes to Performance and Other Important Information

The thoughts expressed in this *Review and Report* concerning recent market movements and future prospects for small company stocks are solely the opinion of Royce at December 31, 2014, and, of course, historical market trends are not necessarily indicative of future market movements. Statements regarding the future prospects for particular securities held in the Funds' portfolios and Royce's investment intentions with respect to those securities reflect Royce's opinions as of December 31, 2014 and are subject to change at any time without notice. There can be no assurance that securities mentioned in this *Review and Report* will be included in any Royce-managed portfolio in the future. Investments in securities of micro-cap, small-cap and/or mid-cap companies may involve considerably more risk than investments in securities of larger-cap companies. All publicly released material information is always disclosed by the Funds on the website at [www.roycefunds.com](http://www.roycefunds.com).

Sector weightings are determined using the Global Industry Classification Standard (GICS). GICS was developed by, and is the exclusive property of, Standard & Poor's Financial Services LLC (S&P) and MSCI Inc. (MSCI). GICS is the trademark of S&P and MSCI. Global Industry Classification Standard (GICS) and GICS Direct are service marks of S&P and MSCI.

All indexes referred to are unmanaged and capitalization weighted. Each index's returns include net reinvested dividends and/or interest income. Russell Investment Group is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group. The Russell 2000 Index is an index of domestic small-cap stocks. It measures the performance of the 2,000 smallest publicly traded U.S. companies in the Russell 3000 Index. The Russell Microcap Index includes 1,000 of the smallest securities in the Russell 2000 Index along with the next smallest eligible securities as determined by Russell. The Russell 1000 Index is an index of domestic large-cap stocks. It measures the performance of the 1,000 largest publicly traded companies in the Russell 3000 Index. The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. It includes approximately 800 of the smallest securities in the Russell 1000 Index. The Russell Global Small Cap Index is an unmanaged, capitalization-weighted index of global small-cap stocks. The Russell Global ex-U.S. Large Cap Index is an index of global large-cap stocks, excluding the United States. The Russell Global ex-U.S. Small Cap Index is an index of global small-cap stocks, excluding the United States. The S&P 500 and SmallCap 600 are indexes of U.S. large- and small-cap stocks, respectively, selected by Standard & Poor's based on market size, liquidity, and industry grouping, among other factors. The Nasdaq Composite is an index of the more than 3,000 common equities listed on the Nasdaq stock exchange. The performance of an index does not represent exactly any particular investment, as you cannot invest directly in an index. Returns for the market indexes used in this report were based on information supplied to Royce by Russell Investments.

The Price-Earnings, or P/E, Ratio is calculated by dividing a company's share price by its trailing 12-month earnings-per share (EPS). The Price- to- Book, or P/B, Ratio is calculated by dividing a company's share price by its book value per share. The Morningstar Style Map uses proprietary scores of a stock's value and growth characteristics to determine its placement in one of the five categories listed on the horizontal axis. These characteristics are then compared to those of other stocks within the same market capitalization band. Each is scored from zero to 100 for both value and growth attributes. The value score is subtracted

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from the growth score to determine the overall style score. For the vertical, market cap axis, Morningstar subdivides into size groups. Giant-cap stocks are defined as those that account for the top 40% of the capitalization of each style zone; large-cap stocks represent the next 30%; mid-cap stocks the next 20%; small-cap stocks the next 7%; micro-cap stocks the smallest 3%. The Royce Funds is a service mark of The Royce Funds. Distributor: Royce Fund Services, Inc.

**Forward-Looking Statements** This material contains forward-looking statements within the meaning of the Securities Exchange Act of 1934, as amended (the Exchange Act ), that involve risks and uncertainties, including, among others, statements as to: the Funds' future operating results; the prospects of the Funds' portfolio companies; the impact of investments that the Funds have made or may make; the dependence of the Funds' future success on the general economy and its impact on the companies and industries in which the Funds invest, and the ability of the Funds' portfolio companies to achieve their objectives.

*This Review and Report* uses words such as anticipates, believes, expects, future, intends, and similar expressions to identify forward-looking statements. Actual results may differ materially from those projected in the forward-looking statements for any reason.

The Royce Funds have based the forward-looking statements included in this *Review and Report* on information available to us on the date of the report, and we assume no obligation to update any such forward-looking statements. Although The Royce Funds undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that we may make through future stockholder communications or reports.

**Authorized Share Transactions** Royce Value Trust, Royce Micro-Cap Trust, and Royce Global Value Trust may each repurchase up to 5% of the issued and outstanding shares of its respective common stock during the year ending December 31, 2015. Any such repurchases would take place at then prevailing prices in the open market or in other transactions. Common stock repurchases would be effected at a price per share that is less than the share's then current net asset value.

Royce Value Trust, Royce Micro-Cap Trust, and Royce Global Value Trust are also authorized to offer their common stockholders an opportunity to subscribe for additional shares of their common stock through rights offerings at a price per share that may be less than the share's then current net asset value. The timing and terms of any such offerings are within each Board's discretion.

**Annual Certifications** As required, the Funds have submitted to the New York Stock Exchange ( NYSE ) for Royce Value Trust, Royce Micro-Cap Trust, and Royce Global Value Trust the annual certification of the Funds Chief Executive Officer that he is not aware of any violation of the NYSE s listing standards. The Funds also have included the certification of the Funds Chief Executive Officer and Chief Financial Officer required by section 302 of the Sarbanes-Oxley Act of 2002 as exhibits to the Funds form N-CSR for the period ended December 31, 2014, filed with the Securities and Exchange Commission. **Proxy Voting** A copy of the policies and procedures that The Royce Funds use to determine how to vote proxies relating to portfolio securities and information regarding how each of The Royce Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available, without charge, on The Royce Funds website at [www.roycefunds.com](http://www.roycefunds.com), by calling (800) 221-4268 (toll-free) and on the website of the Securities and Exchange Commission ( SEC ), at [www.sec.gov](http://www.sec.gov)**Form N-Q Filing** The Funds file their complete schedules of investments with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Funds Forms N-Q are available on the SEC s website at [www.sec.gov](http://www.sec.gov). The Royce Funds holdings are also on the Funds website approximately 15 to 20 days after each calendar quarter end and remain available until the next quarter s holdings are posted. The Funds Forms N-Q may also be reviewed and copied at the SEC s Public Reference Room in Washington, D.C. To find out more about this public service, call the SEC at (800) 732-0330. The Funds complete schedules of investments are updated quarterly, and are available at [www.roycefunds.com](http://www.roycefunds.com).

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## Results of Stockholders Meeting

### Royce Value Trust, Inc.

At the 2014 Annual Meeting of Stockholders held on September 24, 2014, the Fund s stockholders elected two Directors, consisting of:

VOTES FOR VOTES WITHHELD Richard M. Galkin 57,579,578 1,907,416 Stephen L. Isaacs 57,521,207 1,965,788

### Royce Micro-Cap Trust, Inc.

At the 2014 Annual Meeting of Stockholders held on September 24, 2014, the Fund s stockholders elected two Directors, consisting of:

VOTES FOR VOTES WITHHELD Richard M. Galkin 24,533,941 553,234 Stephen L. Isaacs 24,495,075 592,101

### Royce Global Value Trust, Inc.

At the 2014 Annual Meeting of Stockholders held on September 24, 2014, the Fund s stockholders elected two Directors, consisting of:

VOTES FOR VOTES WITHHELD Richard M. Galkin 8,706,251 200,627 Stephen L. Isaacs 8,713,552 193,327  
2014 Annual Report to Stockholders

## About The Royce Funds [contact Us](#)

### **Wealth of Experience**

With approximately \$32 billion in total assets under management, Royce & Associates is committed to the same investment principles that have served us well for more than 40 years. Chuck Royce, our Chief Executive Officer, enjoys one of the longest tenures of any active mutual fund manager. Royce's investment staff also includes 24 portfolio managers and analysts and nine traders.

### **GENERAL INFORMATION**

General Royce Funds information including an overview of our firm and Funds

**(800) 221-4268**

### **Multiple Funds, Common Focus**

Our goal is to offer both individual and institutional investors the best available micro-cap, small-cap, and/or mid-cap portfolios. We have chosen to concentrate on smaller-company investing by providing investors with a range of funds that take full advantage of this large and diverse sector.

### **COMPUTERSHARE**

#### **Transfer Agent and Registrar**

Speak with a representative about:

Your account, transactions, and forms

**(800) 426-5523**

### **Consistent Discipline**

Our approach emphasizes paying close attention to risk and maintaining the same discipline, regardless of market movements and trends. The price we pay for a security must be below our appraisal of its current worth. This requires a thorough analysis of the financial and business dynamics of an enterprise, as though we were purchasing the entire company.

### **FINANCIAL ADVISORS AND BROKER-DEALERS**

Speak with your regional Royce contact regarding:

Information about our firm, strategies, and Funds

Fund Materials

**(800) 337-6923**

### **Co-Ownership of Funds**

It is important that our employees and shareholders share a common financial goal. Our officers, employees, and their families currently have more than \$185 million invested in The Royce Funds and are often among the largest individual shareholders.

**roycefunds.com**

**Item 2. Code(s) of Ethics.** As of the end of the period covered by this report, the Registrant had adopted a code of ethics, as defined in Item 2 of Form N-CSR, applicable to its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A copy of this code of ethics is filed as an exhibit to this Form N-CSR. No substantive amendments were approved or waivers were granted to this code of ethics during the period covered by this report.

**Item 3. Audit Committee Financial Expert.**

(a)(1)

The Board of Directors of the Registrant has determined that it has an audit committee financial expert.

(a)(2)

Arthur S. Mehlman and Patricia W. Chadwick were designated by the Board of Directors as the

Registrant's Audit Committee Financial Experts, effective April 15, 2004 and April 8, 2010, respectively.

Mr. Mehlman and Ms. Chadwick are independent as defined under Item 3 of Form N-CSR.

**Item 4. Principal Accountant Fees and Services.**

(a)

Audit Fees:

Year ended December 31, 2014 -\$43,500

Year ended December 31, 2013 -\$42,500

(b)

Audit-Related Fees:

Year ended December 31, 2014 -\$0

Year ended December 31, 2013 -\$0

(c)

Tax Fees:

Year ended December 31, 2014 -\$7,200 - Preparation of tax returns

Year ended December 31, 2013 -\$7,100 - Preparation of tax returns

(d)

All Other Fees:

Year ended December 31, 2014 -\$0

Year ended December 31, 2013 -\$0

(e)(1) Annual Pre-Approval: On an annual basis, the Registrant's independent auditor submits to the Audit Committee a schedule of proposed audit, audit-related, tax and other non-audit services to be rendered to the Registrant and/or investment adviser(s) for the following year that require pre-approval by the Audit Committee. This schedule provides a description of each type of service that is expected to require pre-approval and the maximum fees that can be paid for each such service without further Audit Committee approval. The Audit Committee then reviews and determines whether to approve the types of scheduled services and the projected fees for them. Any subsequent revision to already pre-approved services or fees (including fee increases) are presented for consideration at the next regularly scheduled Audit Committee meeting, as needed.

If subsequent to the annual pre-approval of services and fees by the Audit Committee, the Registrant or one of its affiliates determines that it would like to engage the Registrant's independent auditor to perform a service not already pre-approved, the request is to be submitted to the Registrant's Chief Financial Officer, and if he or she determines that the service fits within the independence guidelines (e.g., it is not a prohibited service), he or she will then arrange for a discussion of the proposed service and fee to be included on the agenda for the next regularly scheduled Audit Committee meeting so that pre-approval can be considered.

Interim Pre-Approval: If, in the judgment of the Registrant's Chief Financial Officer, a proposed engagement needs to commence before the next regularly scheduled Audit Committee meeting, he or she shall submit a written summary of the proposed engagement to all members of the Audit Committee, outlining the services, the estimated maximum cost, the category of the services (e.g., audit, audit-related, tax or other) and the rationale for engaging the Registrant's independent auditor to perform the services. To the extent the proposed engagement involves audit, audit-related or tax services, any individual member of the Audit Committee who is an independent Board member is authorized to pre-approve the engagement. To the extent the proposed engagement involves non-audit services other than audit-related or tax, the Chairman of the Audit Committee is authorized to pre-approve the engagement. The Registrant's Chief Financial Officer will arrange for this interim review and

coordinate with the appropriate member(s) of the Committee. The independent auditor may not commence the engagement under consideration until the Registrant's Chief Financial Officer has informed the auditor in writing that pre-approval has been obtained from the Audit Committee or an individual member who is an independent Board member. The member of the Audit Committee who pre-approves any engagements in between regularly scheduled Audit Committee meetings is to report, for informational purposes only, any pre-approval decisions to the Audit Committee at its next regularly scheduled meeting.

(e)(2)

Not Applicable

(f)

Not Applicable

(g)

Year ended December 31, 2014 -\$7,200

Year ended December 31, 2013 -\$7,100

(h)

No such services were rendered during 2014 or 2013.

**Item 5. Audit Committee of Listed Registrants.** The Registrant has a separately designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934. Patricia W. Chadwick, Richard M. Galkin, Stephen L. Isaacs, Arthur S. Mehlman, David L. Meister and G. Peter O'Brien are members of the Registrant's audit committee.

**Item 6. Investments.**

(a) See Item 1.

(b) Not applicable.

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

June 5, 2003, as amended  
through October 22, 2009

**Royce & Associates Proxy Voting Guidelines and Procedures**

These procedures apply to Royce & Associates, LLC ( Royce ) and all funds and other client accounts for which it is responsible for voting proxies, including all open and closed-end registered investment companies ( The Royce Funds ), limited partnerships, limited liability companies, separate accounts, other accounts for which it acts as investment adviser and any accounts for which it acts as sub-adviser that have delegated proxy voting authority to Royce. Such authority is determined at the inception of each client account and generally: (i) is specifically authorized in the applicable investment management agreement or other written instrument or (ii) where not specifically authorized, is granted to Royce where general investment discretion is given to it in the applicable investment management agreement. The Boards of Trustees/Directors of The Royce Funds (the Boards ) have delegated all proxy voting decisions to Royce subject to these policies and procedures. Notwithstanding the above, from time to time the Boards may reserve voting authority for specific securities.

Receipt of Proxy Material. Under the continuous oversight of the Head of Administration, an Administrative Assistant designated by him is responsible for monitoring receipt of all proxies and ensuring that proxies are received for all securities for which Royce has proxy voting responsibility. All proxy materials are logged in upon receipt by Royce's Librarian.

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Voting of Proxies. Once proxy material has been logged in by Royce's Librarian, it is then promptly reviewed by the designated Administrative Assistant to evaluate the issues presented. Regularly recurring matters are usually voted as recommended by the issuer's board of directors or management. The Head of Administration or his designee, in consultation with the Chief Investment Officer, develops and updates a list of matters Royce treats as regularly recurring and is responsible for ensuring that the designated Administrative Assistant has an up-to-date list of these matters at all times, including instructions from Royce's Chief Investment Officer on how to vote on



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those matters on behalf of Royce clients. Examples of regularly recurring matters include non-contested elections of directors and non-contested approval of independent auditors. Non-regularly recurring matters are brought to the attention of the portfolio manager(s) for the account(s) involved by the designated Administrative Assistant, and, after giving some consideration to advisories from Glass Lewis & Co., an independent third party research firm, the portfolio manager directs that such matters be voted in a way that he or she believes should better protect or enhance the value of the investment. If the portfolio manager determines that information concerning any proxy requires analysis, is missing or incomplete, he or she then gives the proxy to an analyst or another portfolio manager for review and analysis.

a.

From time to time, it is possible that one Royce portfolio manager will decide (i) to vote shares held in client accounts he or she manages differently from the vote of another Royce portfolio manager whose client accounts hold the same security or (ii) to abstain from voting on behalf of client accounts he or she manages when another Royce portfolio manager is casting votes on behalf of other Royce client accounts.

The designated Administrative Assistant reviews all proxy votes collected from Royce's portfolio managers prior to such votes being cast. If any difference exists among the voting instructions given by Royce's portfolio managers, as described above, the designated Administrative Assistant then presents these proposed votes to the Head of Administration, or his designee, and the Chief Investment Officer. The Chief Investment Officer, after consulting with the relevant portfolio managers, either reconciles the votes or authorizes the casting of differing votes by different portfolio managers. The Head of Administration, or his designee, maintains a log of all votes for which different portfolio managers have cast differing votes, that describes the rationale for allowing such differing votes and contains the initials of both the Chief Investment Officer and Head of Administration, or his designee, allowing such differing votes. The Head of Administration, or his designee, performs a weekly review of all votes cast by Royce to confirm that any conflicting votes were properly handled in accordance with the above-described procedures.

b.

There are many circumstances that might cause Royce to vote against an issuer's board of directors or management proposal. These would include, among others, excessive compensation, unusual management stock options, preferential voting and poison pills. The portfolio managers decide these issues on a case-by-case basis as described above.

c.

A portfolio manager may, on occasion, determine to abstain from voting a proxy or a specific proxy item when he or she concludes that the potential benefit of voting is outweighed by the cost, when it is not in the client account's best interest to vote.

d.

When a client has authorized Royce to vote proxies on its behalf, Royce will generally not accept instructions from the clients regarding how to vote proxies.

e.

If a security is on loan under The Royce Funds' Securities Lending Program with State Street Bank and Trust Company (Loaned Securities), the Head of Administration, or his designee, will recall the Loaned Securities and request that they be delivered within the customary settlement period after the notice, to permit the exercise of their voting rights if the number of shares of the security on loan would have a material effect on The Royce Funds' voting power at the up-coming stockholder meeting. A material effect is defined as any case where the Loaned Securities are 1% or more of a class of a company's outstanding equity securities. Monthly, the Head of Administration or his designee will review the summary of this activity by State Street. A quarterly report detailing any exceptions that occur in recalling Loaned Securities will be given to the Boards.

Custodian banks are authorized to release all proxy ballots held for Royce client account portfolios to Glass Lewis & Co. for voting, utilizing the Viewpoint proxy voting platform. Substantially all portfolio companies utilize Broadridge to collect their proxy votes.

Under the continuous oversight of the Head of Administration, or his designee, the designated Administrative Assistant is responsible for voting all proxies in a timely manner. Votes are returned to Broadridge using Viewpoint

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as ballots are received, generally two weeks before the scheduled meeting date. The issuer can thus see that the shares were voted, but the actual vote cast is not released to the company until 4:00 pm on the day before the meeting. If proxies must be mailed, they go out at least ten business days before the meeting date.

**Conflicts of Interest.** The designated Administrative Assistant reviews reports generated by Royce's portfolio management system ( Quest PMS ) that set forth by record date, any security held in a Royce client account which is issued by a (i) public company that is, or a known affiliate of which is, a separate account client of Royce (including sub-advisory relationships), (ii) public company, or a known affiliate of a public company, that has invested in a privately-offered pooled vehicle managed by Royce or (iii) public company, or a known affiliate of a public company, by which the spouse of a Royce employee or an immediate family member of a Royce employee living in the household of such employee is employed, for the purpose of identifying any potential proxy votes that could present a conflict of interest for Royce. The Head of Administration, or his designee, develops and updates the list of such public companies or their known affiliates which is used by Quest PMS to generate these daily reports. This list also contains information regarding the source of any potential conflict relating to such companies. Potential conflicts identified on the conflicts reports are brought to the attention of the Head of Administration or his designee by the designated Administrative Assistant. An R&A Compliance Officer then reviews them to determine if business or personal relationships exist between Royce, its officers, managers or employees and the company that could present a material conflict of interest. Any such identified material conflicts are voted by Royce in accordance with the recommendation given by an independent third party research firm (Glass Lewis & Co.). The Head of Administration or his designee maintains a log of all such conflicts identified, the analysis of the conflict and the vote ultimately cast. Each entry in this log is signed by the Chief Investment Officer before the relevant votes are cast.

**Recordkeeping.** A record of the issues and how they are voted is stored in the Viewpoint system. Copies of all physically executed proxy cards, all proxy statements (with it being permissible to rely on proxy statements filed and available on Edgar) and any other documents created or reviewed that are material to making a decision on how to vote proxies are retained in the Company File maintained by Royce's Librarian in an easily accessible place for a period of not less than six years from the end of the fiscal year during which the last entry was made on such record, the first two years at Royce's office. In addition, copies of each written client request for information on how Royce voted proxies on behalf of that client, and a copy of any written response by Royce to any (written or oral) client request for information on how Royce voted proxies on behalf of that client will be maintained by Royce's Head of Administration and/or Royce's Director of Alternative Investments, or their designee (depending on who received such request) for a period of not less than six years from the end of the fiscal year during which the last entry was made on such record, the first two years at Royce's office. Royce's Compliance Department shall maintain a copy of any proxy voting policies and procedures in effect at any time within the last five years.

**Disclosure.** Royce's proxy voting procedures will be disclosed to clients upon commencement of a client account. Thereafter, proxy voting records and procedures are generally disclosed to those clients for which Royce has authority to vote proxies as set forth below:

-  
The Royce Funds' proxy voting records are disclosed annually on Form N-PX (with such voting records also available at [www.roycefunds.com](http://www.roycefunds.com)). Proxy voting procedures are available in the Statement of Additional Information for the open-end funds, in the annual report on Form N-CSR for the closed-end funds and at [www.roycefunds.com](http://www.roycefunds.com). -

Limited Liability Company and Limited Partnership Accounts' proxy voting records are disclosed to members/partners upon request and proxy voting procedures (along with a summary thereof) are provided to members/partners annually (and are available at [www.roycefunds.com](http://www.roycefunds.com)). -

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Separate Accounts proxy voting records and procedures are disclosed to separate account clients annually.

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

(a)(1) Portfolio Managers of Closed-End Management Investment Companies (information as of December 31, 2014)

**Name** **Title** **Length of Service** **Principal Occupation(s) During Past 5 Years** Charles M. Royce President and member of the Board of Directors of the Registrant Since 1986

Chief Executive Officer and member of the Board of Managers of Royce & Associates, LLC ( Royce ), investment adviser to the Registrant, President and member of the boards of directors/trustees of the Registrant, Royce Focus Trust, Inc., Royce Micro-Cap Trust, Inc. ("RMT"), Royce Global Value Trust, Inc. ,The Royce Fund , and Royce Capital Fund (collectively, "The Royce Funds"). Chris E. Flynn Assistant Portfolio

Manager\* Since April 1, 2007

Assistant Portfolio Manager of the Registrant (since April 1, 2007); and Principal, Portfolio Manager and Senior Analyst at Royce (since 1993). David A. Nadel Assistant Portfolio

Manager\* Since April 1, 2007

Assistant Portfolio Manager of the Registrant (since April 1, 2007); Director of International Research at Royce (since 2010); Portfolio Manager and Senior Analyst at Royce( since 2006); Senior Portfolio Manager at Neuberger Berman Inc. (2004-2006); and Senior Analyst at Pequot Capital Management, Inc. (2001-2003). Lauren A. Romeo Assistant Portfolio

Manager\* Since May 1, 2009

Assistant Portfolio of the Registrant (since May 1, 2009); Portfolio Manager and Analyst at Royce (since 2004); Portfolio Manager at Dalton, Grenier, Hartman & Maher (since 2001); an Analyst with Legg Mason Funds Management (2000-2001); and an Analyst with T. Rowe Price Group (1996-2000).

\* Assistant Portfolio Managers may have investment discretion over a portion of the Registrant's portfolio subject to the supervision of Registrant's Portfolio Manager.

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(a)(2) Other Accounts Managed by Portfolio Manager and Potential Conflicts of Interest (information as of December 31, 2014)

**Other Accounts**

**Name of**

**Portfolio**

**Manager Type of Account Number of**

**Accounts**

**Managed Total**

**Assets**

**Managed Number of**

**Accounts**

**Managed for which**

**Advisory Fee is**

**Performance-Based Value of**

**Managed**

**Accounts for**

**which**

**Advisory Fee is**

**Performance**

**Based** Charles M. Royce Registered

investment

companies 16 \$18,713,665,670 2 \$1,619,442,612 Private pooled

investment vehicles 1 \$26,347,186 1 \$26,347,186 Other accounts\* 12 \$62,833,243 -- Chris E. Flynn Registered

investment

companies 5 \$6,427,192,932 2 \$1,619,442,612 Private pooled

investment vehicles ---- Other accounts\* ---- David A. Nadel Registered

investment

companies 8 \$1,499,239,064 1 \$1,231,954,638 Private pooled

investment vehicles ---- Other accounts\* ---- Lauren A. Romeo Registered

investment

companies 6 \$13,505,769,408 1 \$1,231,954,638 Private pooled

investment vehicles 3 \$819,156,888 -- Other accounts\* ----

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\*Other accounts include all other accounts managed by the Portfolio Manager in either a professional or personal capacity except for personal accounts subject to pre-approval and reporting requirements under the Registrant's Rule 17j-1 Code of Ethics.

### **Conflicts of Interest**

The fact that a Portfolio Manager has day-to-day management responsibility for more than one client account may create actual, potential or only apparent conflicts of interest. For example, the Portfolio Manager may have an opportunity to purchase securities of limited availability. In this circumstance, the Portfolio Manager is expected to review each account's investment guidelines, restrictions, tax considerations, cash balances, liquidity needs and other factors to determine the suitability of the investment for each account and to ensure that his or her managed accounts are treated equitably. The Portfolio Manager may also decide to purchase or sell the same security for multiple managed accounts at approximately the same time. To address any conflicts that this situation may create, the Portfolio Manager will generally combine managed account orders (i.e., enter a "bunched" order) in an effort to obtain best execution or a more favorable commission rate. In addition, if orders to buy or sell a security for multiple accounts managed by common Portfolio Managers on the same day are executed at different prices or commission rates, the transactions will generally be allocated by Royce & Associates, LLC ( Royce ) to each of such managed accounts at the weighted average execution price and commission. In circumstances where a pre-allocated bunched order is not completely filled, each account will normally receive a pro-rated portion of the securities based upon the account's level of participation in the order. Royce may under certain circumstances allocate securities in a manner other than pro-rata if it determines that the allocation is fair and equitable under the circumstances and does not discriminate against any account.

As described below, there is a revenue-based component of each Portfolio Manager's Performance-Related Variable Compensation and the Portfolio Managers also receive Firm-Related Variable Compensation based on revenues (adjusted for certain imputed expenses) generated by Royce. In addition, Charles M. Royce receives variable compensation based on Royce's retained pre-tax profits from operations. As a result, the Portfolio Managers may receive a greater relative benefit from activities that increase the value to Royce of The Royce Funds and/or other Royce client accounts, including, but not limited to, increases in sales of Registrant's shares and assets under management.

Also, as described above, the Portfolio Managers generally manage more than one client account, including, among others, registered investment company accounts, separate accounts and private pooled accounts managed on behalf of institutions (e.g., pension funds, endowments and foundations) and for high-net-worth individuals. The appearance of a conflict of interest may arise where Royce has an incentive, such as a performance-based management fee (or any other variation in the level of fees payable by the Registrant or other Royce client accounts to Royce), which relates to the management of one or more of The Royce Funds or accounts with respect to which the same Portfolio Manager has day-to-day management responsibilities. Except as described below, no Royce Portfolio Manager's compensation is tied to performance fees earned by Royce for the management of any one client account. Although variable and other compensation derived from Royce revenues or profits is impacted to some extent, the impact is relatively minor given the small percentage of Royce firm assets under management for which Royce receives performance-measured revenue. Notwithstanding the above, the Performance-Related Variable Compensation paid to Charles M. Royce as Portfolio Manager of two registered investment company accounts (the Registrant and RMT) is based, in part, on performance-based fee revenues. The Registrant and RMT pay Royce a fulcrum fee that is adjusted up or down depending on the performance of the Fund relative to its benchmark index.

Finally, conflicts of interest may arise when a Portfolio Manager personally buys, holds or sells securities held or to be purchased or sold for the Registrant or other Royce client account or personally buys, holds or sells the shares of one or more of The Royce Funds. To address this, Royce has adopted a written Code of Ethics designed to prevent and detect personal trading activities that may interfere or conflict with client interests (including Registrant's stockholders' interests). Royce generally does not permit its Portfolio Managers to purchase small- or micro-cap securities for their personal investment portfolios.

Royce and The Royce Funds have adopted certain compliance procedures which are designed to address the above-described types of conflicts. However, there is no guarantee that such procedures will detect each and every situation in which a conflict arises.

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### (a)(3) Description of Portfolio Manager Compensation Structure (information as of December 31, 2014)

Royce seeks to maintain a compensation program that is competitively positioned to attract and retain high-caliber investment professionals. All Portfolio Managers, receive from Royce a base salary, Performance-Related Variable Compensation (generally the largest element of each Portfolio Manager's compensation with the exception of Charles M. Royce), Firm-Related Variable Compensation based primarily on registered investment company and other client account revenues generated by Royce and a benefits package. Portfolio Manager compensation is reviewed and may be modified from time to time as appropriate to reflect changes in the market, as well as to adjust the factors used to determine variable compensation. Except as described below, each Portfolio Manager's compensation consists of the following elements:

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**BASE SALARY.** Each Portfolio Manager is paid a base salary. In setting the base salary, Royce seeks to be competitive in light of the particular Portfolio Manager's experience and responsibilities.

**PERFORMANCE-RELATED VARIABLE COMPENSATION.** Each Portfolio Manager receives quarterly Performance-Related Variable Compensation that is either asset-based, or revenue-based and therefore in part based on the value of the net assets of the account for which he or she is being compensated, determined with reference to each of the registered investment company and other client accounts they are managing. The revenue used to determine the quarterly Performance-Related Variable Compensation received by Charles M. Royce that relates to each of the Registrant and RMT is performance-based fee revenue. For all Portfolio Managers, the Performance-Related Variable Compensation applicable to the registered investment company accounts managed by the Portfolio Manager is subject to downward adjustment or elimination based on a combination of 3-year, 5-year risk and 10-year risk-adjusted pre-tax returns of such accounts relative to all small-cap objective funds with three years of history tracked by Morningstar (as of December 31, 2014 there were 395 such Funds tracked by Morningstar), the 5-year absolute returns of such accounts relative to 5-year U.S. Treasury Notes and absolute returns over the prior full market cycle and current cycle to date vs. the accounts' benchmark. The Performance-Related Variable Compensation applicable to non-registered investment company accounts managed by a Portfolio Manager is not subject to performance-related adjustment.

Payment of the Performance-Related Variable Compensation may be deferred, and any amounts deferred are forfeitable, if the Portfolio Manager is terminated by Royce with or without cause or resigns. The amount of the deferred Performance-Related Variable Compensation will appreciate or depreciate during the deferral period, based on the total return performance of one or more Royce-managed registered investment company accounts selected by the Portfolio Manager at the beginning of the deferral period. The amount deferred will depend on the Portfolio Manager's total direct, indirect beneficial and deferred unvested investments in the Royce registered investment company account for which he or she is receiving portfolio management compensation.

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**FIRM-RELATED VARIABLE COMPENSATION.** Each Portfolio Manager receives quarterly variable compensation based on Royce's net revenues.

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**BENEFIT PACKAGE.** Each Portfolio Manager also receives benefits standard for all Royce employees, including health care and other insurance benefits, and participation in Royce's 401(k) Plan and Money Purchase Pension Plan. From time to time, on a purely discretionary basis, Portfolio Managers may also receive options to acquire stock in Royce's parent company, Legg Mason, Inc. Those options typically represent a relatively small portion of a Portfolio Managers' overall compensation.

Charles M. Royce, in addition to the above-described compensation, also receive variable compensation based on Royce's retained pre-tax operating profit. This variable compensation, along with the Performance-Related Variable Compensation and Firm-Related Variable Compensation, generally represents the most significant element of Mr. Royce's compensation. A portion of the above-described compensation payable to Mr. Royce relates to his responsibilities as Royce's Chief Executive Officer and President of The Royce Funds.

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(a)(4) Dollar Range of Equity Securities in Registrant Beneficially Owned by Portfolio Manager (information as of December 31, 2014)

The following table shows the dollar range of the Registrant's shares owned beneficially and of record by the Portfolio Managers, including investments by his immediate family members sharing the same household and amounts invested through retirement and deferred compensation plans.

### **Portfolio Manager**

#### **Dollar Range of Registrant's Shares Beneficially Owned**

Charles M. Royce Over \$1,000,000

Chris E. Flynn \$100,001 to \$500,000

David A. Nadel None

Lauren A. Romeo \$100,001 to \$500,000

(b) Not Applicable

**Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.** Not Applicable

**Item 10. Submission of Matters to a Vote of Security Holders.** Not Applicable.

**Item 11. Controls and Procedures.**

(a) Disclosure Controls and Procedures. The Principal Executive and Financial Officers concluded that the Registrant's Disclosure Controls and Procedures are effective based on their evaluation of the Disclosure Controls and Procedures as of a date within 90 days of the filing date of this report.

(b) Internal Control over Financial Reporting. There were no significant changes in Registrant's internal control over financial reporting or in other factors that could significantly affect this control subsequent to the date of the evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses during the second fiscal quarter of the period covered by this report.

**Item 12. Exhibits.** Attached hereto.

(a)(1) The Registrant's code of ethics pursuant to Item 2 of Form N-CSR.

(a)(2) Separate certifications by the Registrant's Principal Executive Officer and Principal Financial Officer as required by Rule 30a-2(a) under the Investment Company Act of 1940.

(a)(3) Not Applicable

(b) Separate certifications by the Registrant's Principal Executive Officer and Principal Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and required by Rule 30a-2(b) under the Investment Company Act of 1940.

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

**ROYCE VALUE TRUST, INC.**

BY:

/s/ Charles M. Royce

**Charles M. Royce**

**President**

Date: March 5, 2015

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

**ROYCE VALUE TRUST, INC. ROYCE VALUE TRUST, INC.**

BY:

/s/ Charles M. Royce BY:

/s/ John D. Diederich

**Charles M. Royce**

**John D. Diederich**

**President**

**Chief Financial Officer**

Date:

March 5, 2015



Date: March 5, 2015