

ROYCE VALUE TRUST INC  
Form N-CSRS  
August 30, 2017

**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.

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of Registrant: 745 Fifth Avenue

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Date of  
fiscal year end: December 31, 2017

Date of  
reporting period: January 1, 2017 - June 30, 2017

**Item 1. Reports to Shareholders.**



**JUNE 30, 2017**  
**Report to Stockholders**

# **2017 Semiannual Review and**

## **A Few Words on Closed-End Funds**

**Royce & Associates, LP manages three closed-end funds: Royce Global Value Trust, which invests primarily in companies with headquarters outside of the United States, Royce Micro-Cap Trust, which invests primarily in micro-cap securities; and Royce Value Trust, which invests primarily in small-cap securities.** 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** **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 55 and 56. For additional information on the Funds' Distribution Reinvestment and Cash Purchase Options and the benefits for stockholders, please see page 57 or visit our website at [www.roycefunds.com](http://www.roycefunds.com).

### **Managed Distribution Policy**

The Board of Directors of each of Royce Micro-Cap Trust and Royce Value Trust has authorized a managed distribution policy (MDP). Under the MDP, Royce Micro-Cap Trust and Royce Value 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.

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, with significant investments in small- and micro-cap securities.

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

Royce Micro-Cap Trust and Royce Value Trust distribute capital gains, if any, 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.

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## Letter to Our Stockholders

### SMALL-CAP'S LONG AND WINDING ROAD

#### **A good start for small-caps in 2017 masked some key reversals**

In a solid first half for small-cap stocks, the Russell 2000 Index gained 5.0% for the year-to-date period ended June 30, 2017. This followed a terrific 2016, in which the small-cap index advanced 21.3%. From our perspective as small-cap specialists, however, the big news in small-cap last year was the occurrence of three key reversals: leadership for value, improved results for cyclicals, and higher overall returns for small-caps than for large-caps. Perhaps because we had been waiting for so long and based on history, we endured an inordinately protracted wait for value to resume leadership over growth we were convinced as we entered 2017 that these reversals would remain in place. Yet the first half saw leadership shifting yet again, as large-caps, growth, and non-cyclicals (especially healthcare) all took the lead after lagging, some significantly, in 2016. (In addition, non-U.S. equities surged, though this came after several years of underperformance). The result was a small-cap market with narrow leadership for growth through most of the first six months.

Recent rotations in small-cap style leadership could be seen clearly in the one-year results for the period ended June 30, 2017. The two style indexes finished the 12-month period in remarkably similar places the Russell 2000 Value Index climbed 24.9% versus a gain of 24.4% for the Russell 2000 Growth Index though their respective paths were strikingly divergent.

In the second half of 2016, the small-cap value index rose 24.2% versus 13.1% for growth, while in the first half of 2017, value rose only 0.5% compared to a 10.0% increase for its growth sibling *A Tale of Two Halves*. Our interpretation of these actions is that the first half of 2017 marked a catch-up phase for last year's laggards and a pause for 2016's leaders.

#### **A Tale of Two Halves**

1-Year Return Russell 2000 Value and Russell 2000 Growth

Given leadership for growth and non-cyclicals in a period of lackluster economic growth, some market commentators have compared the first half of 2017 to 2015, a year in which growth stocks shined while cyclicals suffered. Growth's recent leadership notwithstanding, however, 2017 looks nothing like 2015. Today's environment features rising interest rates, quantitative easing is unwinding in the U.S. (with signs that Europe will soon follow suit), and an increasing amount of data shows a global economy that's beginning to heat up. In our view, this environment seems significantly different than it did during growth's last period of extended leadership, which featured anemic global growth and the looming threat of

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LETTER TO OUR STOCKHOLDERS

It's important to remember that we are still walking the road back to normalization. This is not a straight road and it was never going to be. If 2017's first half showed us anything, it was that the path back to normalization (and away from zero interest rates and abundant financial liquidity) will be a winding one with a few sharp twists and turns.

renewed recessions. It's important to remember that we are still walking the road back to normalization. This is not a straight road and it was never going to be. If 2017's first half showed us anything, it was that the path back to normalization (and away from zero interest rates and abundant financial liquidity) will be a winding one with a few sharp twists and turns. We think that we are far from a new regime for growth. In fact, the environment still looks very conducive, at least to us, for value's leadership to resume and continue driven by cyclical industries positioned to benefit from global growth.

**CAN THE LOW ROAD LEAD TO OUTPERFORMANCE?**

**Attractive returns for small-caps in the low-return world we anticipate**

Our cautious optimism is tempered by an important caveat—the likelihood of lower returns for small-cap stocks than we experienced over the past five years. We make no secret of our belief in reversion to the mean and the Russell 2000's 13.7% average annual total return for the five-year period ended June 30, 2017 was higher than its rolling monthly five-year average since the inception of the small-cap index on 12/31/78—a gain of 10.6%.

In addition, the chart below shows that small-cap's rolling five-year returns over the past 15- and 25-year periods are also lower than the current five-year average for the Russell 2000. This explains why we see a high probability of lower small-cap returns over the next few years—our take is based on reversion to the mean.

**Rolling 5-Year Returns vs. Latest 5-Year Avg. Annual Total Return**

Russell 2000 Average Monthly Rolling Average Annual Total Return for 5-Year Periods Through 6/30/17

That said, we still see positive, and quite likely very competitive, returns for small-caps ahead, with an argument that rests on two primary factors—the reasonable state of current valuations and the prospect for earnings strength and/or improvement.

While it is true that current small-cap valuations are elevated compared with history, it is also true that within a context of low bond yields, small-caps appear cheap versus bonds.

**Two Perspectives on Small-Cap Market Valuation through 6/30/17**

**EV/EBIT >**

**Long-term Average**

*Suggests small-caps  
are more than  
fully valued*

**Equity Risk Premium >**

**Long-term Average**

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*Suggests small-caps*

*are undervalued*

**Enterprise Value** (EV) is calculated by adding a company's market capitalization, long-term debt, preferred stock, and minority interest, then subtracting cash. **EBIT** is earnings before interest and tax. **EV/EBIT** is a harmonic weighted average. **Cap Rate** is a simple weighted average. **Equity Risk Premium** is the excess return that an equity investment provides over a risk-free rate, generally defined as the return from U.S. Treasury bonds.

In addition, valuations actually became more attractive for small-cap companies as a whole in the first half of 2017, as earnings advanced at a faster rate than stock prices. At the end of 2016, the average P/E ratio for the Russell 2000 was 22.9x while at the end of June 2017 it had fallen to 21.7x. During this same period, the yield on the 10-year Treasury yield dropped from 2.4% to 2.3%, further increasing small-cap's attractiveness versus bonds.

Regarding the earnings outlook, our own analyses, our regular discussions with company management teams, and research from our friends at *Strategas* all reveal a quietly optimistic sales and earnings



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outlook for many small-cap businesses over the next couple of years, especially if global growth continues to heat up. Small-cap earnings announcements in July 2017 offered some initial, if anecdotal, support for this thesis.

We contend that if inflation stays below its historical average, then valuations can stay above their historical levels. We believe valuations do not need to increase from this point for small-caps to advance, and if small-caps can track earnings growth, then an expectation of mid- to high-single digit returns over the next several years seems reasonable to us. In the low-return world we are anticipating, that could be a very competitive return.

#### TWO ROADS DIVERGING IN THE SMALL-CAP WORLD

##### **Why mean reversion and history favor small-cap value**

Of course, active small-cap managers do not buy the whole market at least they shouldn't. If we have sketched a reasonably accurate roadmap for this journey to normalization (of which higher interest rates are a crucial feature), it would have significant implications for investment approaches. Seeing in essence a mirror image of the 2011-2015 period, we think the road to normalization will continue to have divergent paths, with outperformance for value, cyclical, and active management and underperformance for growth, defensive, and passive strategies.

Our favorable view of value is rooted in three observations: value's long-term historical outperformance record versus growth, mean reversion for growth's performance, and the interest-rate sensitivity of growth stock valuations. Below is a chart showing the most recent five-year returns for the small-cap value and growth indexes compared with the average five-year returns over all monthly rolling periods

##### **Latest 5-Year Average Annual Total Returns vs. Average Monthly Rolling Average Annual Total 5-Year Returns Through 6/30/17**

#### **Valuations for Cyclical Sectors Look Cheap vs. Defensives**

Cyclical vs. Defensive Stocks Within the Russell 2000 Median Relative LTM EV/EBIT1 Ex. Negative EBIT Through 6/30/17

1 Last Twelve Months Enterprise Value/Earnings Before Interest and Taxes

**Cyclical Definition:** Consumer Discretionary, Energy, Financials, Industrials, Information Technology, Materials.

**Defensive Definition:** Consumer Staples, Health Care, Real Estate, Telecommunication Services, Utilities

Source: Factset

since inception (12/31/78). While the most recent five-year period may be seen as highly supportive for financial assets, small-cap value exceeded its historical five-year average return by only about 100 basis points, while its growth equivalent exceeded its historical average by approximately 550 basis points. Reversion to the mean strongly suggests a very challenging road ahead for small-cap growth stocks.

In addition, valuations for cyclicals within small-cap look attractive versus defensives. The metric we prefer to use when examining valuations is the median relative enterprise value (EV) over earnings before interest and taxes (EBIT). We calculated it over the last 12 months ended June 30, 2017, excluding the companies in the Russell 2000 with negative EBIT. We think this gives a clear picture of the relative attractiveness of cyclicals versus defensive stocks. The results can be seen in the chart above, which shows that valuations for cyclical versus defensive sectors were below their long-term average at the end of June. We feel good about small-cap valuations for our preferred companies and see the greatest earnings potential for small-caps in cyclical areas of the market. Indeed, one of the underappreciated aspects of small-cap cyclicals is the degree to which many look poised to participate in global economic expansion.

In fact, we would offer a qualified dissent to the idea that small-caps would be in a relatively unfavorable position if international economies outpace the rate of growth in the U.S. To be sure, this notion is sound enough when applied to the small-cap universe as a whole the average company in the Russell 2000 derived only 19.8% of its sales from outside the U.S. at the end of June, compared to about 40% for the S&P 500. However, the level of foreign sales varies considerably by

**Information Technology & Materials Had Highest Percentage of Foreign Revenue for the 12 Months Ended 6/30/17**

Russell 2000 GICS Sectors

Source: Factset

sector and industry in the Russell 2000, with Information Technology (44.1%) and Materials (33.4%) having the highest percentages of revenue derived from non-U.S. sources by sector.

There are also certain other cyclical industries, including auto components (47.2%) and machinery (35.9%), that boast significant international exposure and therefore appear well positioned to benefit from global expansion. Additionally, with the dollar weakening, we expect to see heightened demand for U.S. exports. As experienced small-cap specialists, we see a rebounding global economy as being a potential advantage for active managers who, like us, carry more of a cyclical tilt in their portfolios.

Granted, our earnings-centric outlook pivots on there being not simply the tailwind of solid earnings and relatively attractive valuations for select cyclicals but also headwinds for growth and defensive companies. Rising interest rates, for example, are more likely to benefit companies with EPS growth and mute multiple expansion. In this Goldilocks, not too fast, not too slow economic environment, we expect higher-quality companies (as measured by high returns on invested capital) to have an advantage. Companies that are able to make steady progress and fund their growth from internal cash flow rather than relying on increasingly pricey external sources of capital should be in a superior position to their financially less stable competitors.

**SMALL-CAP S SILK ROAD**

**The current opportunity in international small-cap** Additionally, there are timely opportunities in international small-cap stocks. As shown below, the trailing 10-year return for international small-caps is significantly lower than its long-term average. A regression to the mean of historical returns would result in more favorable performance. Prior to 2017, the Russell Global ex-U.S. Small Cap had underperformed the Russell 2000 by the widest spread since the inception of the non-U.S. small-cap index in July 1996. As of June 30, 2017, the performance spread between the two indexes was just shy of this lowest point. So while there is no guarantee of the course of future returns, we think the long-term performance history of the two small-cap indexes suggests that a multi-year run for international small-caps is possible. In our view, this is especially relevant when evaluating the opportunity in these companies.

**Recent Returns for non-U.S. Small-Caps are at Low End of History**

Russell Global ex-U.S. Small Cap  
Index Quarterly Rolling 10-Year  
Returns as of 6/30/17

All of this adds up to an environment that appears supportive for active management. Three market environments have historically provided opportunities for many active managers when value leads, when volatility rises, and when overall market returns are low. All three look more likely than not to us. To the last point, it's interesting to note what's shown in the following chart: active managers, with the Morningstar Small Cap Blend Category Average serving as a proxy, had their widest outperformance spread in the five-year periods when the Russell 2000 returned between 5-10%. This is exactly the environment that we think is most likely.

**Monthly Rolling 5-Year U.S. Small Blend<sup>1</sup> Average Excess Returns During Russell 2000 Return Ranges from 12/31/73 through 6/30/17**

<sup>1</sup> There were 524 U.S. Fund Small Blend Funds tracked by Morningstar with at least five years of performance history as of 6/30/17.

The excess return for a Morningstar category would be the category's return for the period minus the Index return.

**GO WITH THE FLOW**

**Corrections are historically typical within small-cap**

Of course, the road to a lower-return environment likely entails a correction. We do not see this as chilling or discouraging news. Within small-cap, some kind of realignment of stock prices is common. In 18 of the last 20 calendar years, the Russell 2000 had an intra-year decline of at least 10% (and a downturn of 9.6% occurred in one of the two years that escaped the 10%-plus fall). Over the last 20 calendar years,

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## LETTER TO OUR STOCKHOLDERS

the median intra-year correction was 14.2% while so far in 2017, the Russell 2000's biggest decline was 4.7%. So we lean toward the likelihood of a pullback in the 8-12% range. We do not see it going much deeper than that because, at least currently, we see none of the signs of a major market top or a recession.

### **Year-to-Date vs. Median Intra-Year Decline**

Largest Russell 2000  
Intra-Year Declines  
Through 6/30/17

Additionally, many market watchers were expecting a correction toward the end of the first quarter, and as of this writing we still have not seen one even in the midst of ample economic and political uncertainty. When this 20-year history is linked with the fact that we have still not experienced anything like a real correction since the February 2016 small-cap trough, then a downturn looks more than probable to us. So while we are confident that many small-cap companies are in fundamentally solid, even strong, shape, we have also seen over the years that markets simply do not keep ascending for this long without a little air being let out of them.

### **THE ROAD LESS TRAVELED**

**A challenging path worth taking** To be sure, the current environment offers a number of challenges for small-cap investors. Yet we believe it also looks favorable for those who walk the road less traveled—those with disciplined small-cap active management approaches that are geared more globally. Current uncertainty should sooner or later result in higher levels of volatility. (Indeed, perhaps the oddest feature of 2017's first half was its bullish placidity in the face of so much uncertainty—the 10-year Treasury showed as much, if not more, volatility in the year's first six months as the stock market.) And we see increased volatility as potentially working to the advantage of the disciplined active manager.

There is also the possibility of fiscal or regulatory support from Washington, which could of course help small-caps. Our view, however, is that investors place undue emphasis on this. We take issue with the common assumption that small-caps cannot continue to advance without a cocktail combining corporate tax cuts, deregulation, and infrastructure spending. Our outlook of measured optimism is not grounded on which policies emerge (or do not emerge) from Washington.

Ultimately, of course, the success of what we do hinges on the companies in which we invest. On that score, we are encouraged. The ongoing optimism we have been hearing every day from management teams, for example, contradicts the expectation of an economic slowdown. Order books are continuing to fill up, and the majority of the companies we have been meeting with remain confident about their business. That in turn gives us ample confidence in what we do. We are convinced that small-cap active management approaches can remain successful as long as there is a reasonable amount of economic growth, whether here at home or overseas. Simply put, we see modest global economic growth leading to decent earnings growth which should result in moderate advances for small-caps as a group and greater advances for companies in cyclical businesses. Our advice? Stay active, my friends.

Sincerely,

Charles M. Royce Christopher D. Clark Francis D. Gannon *Chairman, Chief Executive Officer, and Co-Chief Investment Officer,*  
*Royce & Associates, LP* *Co-Chief Investment Officer,* *Royce & Associates, LP* *Royce & Associates, LP* July 31, 2017

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## Performance

### NAV Average Annual Total Returns

As of June 30, 2017 (%)	YTD1	1-YR	3-YR	5-YR	10-YR	15-YR	20-YR	25-YR	30-YR	SINCE																											
<b>INCEPTION</b>	<b>INCEPTION</b>																																				
<b>DATE</b>	Royce Global Value Trust	16.11	24.23	3.43	N/A	N/A	N/A	N/A	N/A	N/A	5.06	10/17/13	Royce Micro-Cap Trust	5.93	22.60	4.65	13.47	5.75	9.23	9.96	N/A	N/A	10.84	12/14/93	Royce Value Trust	7.29	25.76	6.95									
		13.38	5.56	8.77	9.52	10.81	10.47	10.63	11/26/86	<b>INDEX</b>			Russell Global Small Cap Index	10.47	21.47	4.50	10.82	3.92	9.39	6.94	N/A	N/A	N/A	N/A	Russell Microcap Index	4.23	27.60	6.69	13.73								
		5.47	8.44	N/A	N/A	N/A	N/A	N/A	Russell 2000 Index	4.99	24.60	7.36	13.70	6.92	9.19	7.98	9.89	9.03	N/A																		

1 Not Annualized.

### Important Performance and Risk Information

All performance information in this *Review and Report* reflects past performance, is presented on a total return basis, net of the Fund's investment advisory fee, 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 Micro-Cap Trust at 12/31/12, as well as 12/31/14 and of Royce Value Trust at 12/31/16, 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 files certain material 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 Global Value Trust (RGT)****Chuck Royce**

**FUND PERFORMANCE** Royce Global Value Trust ( RGT ) advanced **16.1%** on a net asset value ( NAV ) basis and **19.6%** on a market price basis for the year-to-date period ended **June 30, 2017, significantly outperforming its unleveraged benchmark, the Russell Global Small Cap Index, which was up 10.5% for the same period.** These were impressive results on both an absolute and relative basis. We were especially pleased that positive performances came from holdings in the U.S., the U.K., Japan, and more than 20 other countries in the first half. Indeed, after several years in which international small-caps languished, their recent resurgence has been more than welcome, especially as more than two-thirds of RGT's net assets were invested in non-U.S. companies at the end of June compared to 58.7% for the benchmark. Getting off to a fast start, the Fund climbed 7.9% on an NAV basis and 9.4% on a market price basis for the first quarter, outperforming its benchmark, which was up 6.0% for the same period. This trend continued in the second quarter, in which RGT's results tracked very closely to its first-quarter returns. The Fund was up 7.6% based on NAV and rose 9.3% based on market price compared to 4.2% for the Russell Global Small Cap Index in the second quarter. We were also pleased that the Fund outperformed its global small-cap benchmark for the one-year period ended June 30, 2017 on both an NAV and market price basis. **WHAT WORKED... AND WHAT DIDN'T** Nine of the Fund's 10 equity sectors finished the semiannual period in the black. Industrials and Information Technology led by fairly wide margins, though notable contributions also came from Financials and Health Care. At the industry level, four groups made particularly notable gains, led by capital markets (Financials), which has long been an area of focus for us, especially on a global level. Strong results also came from electronic equipment, instruments & components, health care equipment & supplies, and IT services. The first and third of these groups are in Information Technology, the second in Health Care. (Along with Industrials, these were the top-contributing sectors to the Russell Global Small Cap's first-half performance.)

At the position level, the portfolio's top contributor was Indian consumer finance company Bajaj Finance, which rebounded off a relatively weak fourth quarter of 2016 owing to the government's surprising decision to demonetize in November. During the first half of 2017, however, fiscal third-quarter results (released in January) revealed margin improvement and high asset quality while fiscal fourth-quarter results, which came in May, showed the strength of Bajaj's 320-city presence in consumer and commercial lending operations. Although we trimmed our stake as its shares climbed, we believe the company can continue to benefit from its strong position in India's nascent credit markets. The stock of California-based laser diode and equipment maker Coherent was galvanized by ongoing sales and earnings growth driven by vibrant demand for ramped up OLED (organic light-emitting diode) capacity. Raven Industries, also a U.S. firm, provides precision agriculture products, high-performance specialty films, and what it calls lighter-than-air technologies. Its shares rose on improvements in consolidated sales and earnings, driven by strength in the firm's Applied Technology and Engineered Films units. Hurt by falling oil prices, Energy was the only sector that detracted from first-half performance, though its negative impact was comparably modest. Unsurprisingly, the portfolio industries that detracted most come from this same sector—energy equipment & services and oil, gas & consumable fuels. The top detractor at the position level was SEACOR Holdings, which provides marine transportation equipment and logistics services mostly for the energy and agricultural markets. Its earnings remained pressured by ongoing weakness in the offshore marine vessel business, which was exacerbated by the decline in oil prices in the first half, as well as overcapacity in its inland river barge and tow business. From the otherwise strong capital markets group, Toronto-based Dundee Corporation, which is involved in wealth management, real estate, and natural resources, experienced losses in mining- and resource-based activities that put downward pressure on its shares.

Relative to the Russell Global Small Cap, the Fund benefited most from savvy stock selection in Financials, especially in capital markets and consumer finance. Also helping were superior stock picks in Industrials and Information Technology. The impact of relative detractors was far less significant and included ineffective stock picks in the Materials sector and our underweight in Telecommunication Services.

**Top Contributors to Performance** Year-to-Date Through 6/30/17 (%)<sup>1</sup> Bajaj Finance 0.59 Coherent 0.43  
Raven Industries 0.38 Cognex Corporation 0.36 Relo Group 0.33 <sup>1</sup> Includes dividends

**Top Detractors from Performance** Year-to-Date Through 6/30/17 (%)<sup>2</sup> SEACOR Holdings -0.25 Dundee  
Corporation Cl. A -0.17 MBIA -0.11 Signet Jewelers -0.10 KBR -0.09 <sup>2</sup> Net of dividends

**CURRENT POSITIONING AND OUTLOOK** Even after the strong start to 2017, we continue to find attractive opportunities in both U.S. and international companies. Select valuations in many parts of the world, including the U.S., still looked attractive to us at the end of June, especially in the context of expanding global growth. Recent data showed that the second quarter of 2017 was the eurozone's best in more than six years, boosted by strong manufacturing numbers, job growth, and elevated business confidence. Additionally, in mid-July China reported surprisingly strong GDP growth for the second quarter, driven by increased retail sales, investment, and industry output. We are also confident in the prospects for smaller companies with earnings growth here in the U.S.

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PERFORMANCE AND PORTFOLIO REVIEW SYMBOLS **MARKET PRICE** RGT NAV XRGTX**Performance**

Average Annual Total Return (%) Through 6/30/17 **JAN-JUN 2017** 1-YR 3-YR **SINCE INCEPTION (10/17/13)** RGT (NAV)  
16.11 24.23 3.43 5.06 <sup>1</sup> Not Annualized

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### Market Price Performance History Since Inception (10/17/13)

Cumulative Performance of Investment<sup>1</sup>    1-YR 5-YR 10-YR 15-YR 20-YR SINCE INCEPTION (10/17/13)    RGT 28.7% N/A  
 N/A N/A N/A 12.5%

**1** Reflects the cumulative performance experience of a continuous common stockholder who purchased one share at inception (\$8.975 IPO) and reinvested all distributions. **2** 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.

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 61 for additional information.

**Top 10 Positions**    % of Net Assets    Kirby Corporation 1.9    SEI Investments 1.9    Raven Industries 1.4    Lazard Cl. A 1.3  
 VZ Holding 1.3    Cognex Corporation 1.2    Virtu Financial Cl. A 1.1    Ashmore Group 1.1    Spirax-Sarco Engineering 1.1  
 Clarkson 1.1

**Portfolio Sector Breakdown**    % of Net Assets    Industrials 26.7    Information Technology 17.9    Financials 17.3  
 Materials 11.1    Health Care 10.7    Consumer Discretionary 7.7    Consumer Staples 3.4    Real Estate 2.7    Energy 2.7  
 Telecommunication Services 0.1    Outstanding Line of Credit, Net of Cash and Cash Equivalents -0.3

#### Calendar Year Total Returns (%)

**YEAR**    RGT    2016 11.1    2015 -3.4    2014 -6.2

#### Portfolio Country Breakdown<sup>1,2</sup>

% of Net Assets    United States 31.8    United Kingdom 11.6    Japan 9.9    Canada 8.6    France 4.4    Germany 4.3  
 Switzerland 4.0    1

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 \$116 million    Number of Holdings 265    Turnover Rate 10%    Net Asset Value \$11.17    Market Price \$9.61    Net Leverage<sup>1</sup> 0.4%    Average Market Capitalization<sup>2</sup> \$1,864 million    Weighted Average P/E Ratio<sup>3,4</sup> 22.9x    Weighted Average P/B Ratio<sup>3</sup> 2.8x    Active Share<sup>5</sup> 97%

<sup>1</sup>  
 Net leverage is the percentage, in excess of 100%, of the total value of equity type investments, divided by net assets.

<sup>2</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>3</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>4</sup>  
 The Fund's P/E ratio calculation excludes companies with zero or negative earnings (8% of portfolio holdings as of 6/30/17).

<sup>5</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, net of the Fund's investment advisory fee, 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 mid-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 above, the sum of all contributors to, and all detractors from, performance for all securities in the portfolio would approximate the Fund's year-to-date performance for 2017.

2017 Semiannual Report to Stockholders | 9

## Royce Global Value Trust

<b>Schedule of Investments</b>	Common Stocks	100.3%	<b>SHARES</b>	<b>VALUE</b>	<b>AUSTRALIA</b>	<b>2.6%</b>
ALS						
	125,000			\$ 715,759		
Austal						
	87,400			122,931		
Berkeley Energia 1						
	56,800			30,560		
Cochlear						
	5,500			657,134		
Hansen Technologies						
	100,000			310,514		
IPH						
	190,000			700,963		
Mantra Group						
	96,700			226,687		
NetComm Wireless 1						
	26,700			35,297		
Programmed Maintenance Services						
	60,500			86,723		
Seeing Machines 1						
	1,084,800			54,750		
Tassal Group						
	29,400			86,094		
			<b>Total (Cost \$2,638,669)</b>		<b>3,027,412</b>	<b>AUSTRIA 0.9%</b>



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Mayr-Melnhof Karton

7,900 1,033,131 **Total (Cost \$913,613)** 1,033,131 **BELGIUM 0.1%**

Greenyard

6,600 156,342 **Total (Cost \$124,361)** 156,342 **BERMUDA 1.3%**

**Lazard Cl. A**

32,600 1,510,358 **Total (Cost \$1,010,334)** 1,510,358 **BRAZIL 1.8%**

BM&FBOVESPA

32,847 195,819

Brasil Brokers Participacoes 1

274,931 73,047

Minerva

52,500 195,078

OdontoPrev

200,000 703,311

T4F Entretenimento

44,000 81,681

TOTVS

88,000 801,135 **Total (Cost \$2,278,574)** 2,050,071 **CANADA 8.6%**

Agnico Eagle Mines 2

5,000 225,600

AGT Food and Ingredients

6,000 107,711

Altus Group

9,900 213,986

Cameco Corporation 2

24,500 222,950

Canaccord Genuity Group

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92,000	378,131
Computer Modelling Group	
108,000	847,810
Dundee Corporation Cl. A 1	
80,000	175,817
E-L Financial	
1,200	781,925
Exco Technologies	
23,500	193,538
FirstService Corporation	
10,300	658,994
Franco-Nevada Corporation 2	
10,200	736,032
Genworth MI Canada	
13,000	357,681
Gluskin Sheff + Associates	
23,000	297,077
Magellan Aerospace	
18,800	293,424
Major Drilling Group International 1	
160,500	1,050,775
Morneau Shepell	
35,000	562,461
Pan American Silver 2,3	
31,800	534,876
Sandstorm Gold 1	
25,300	97,911

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Solium Capital 1

72,400 547,690

Sprott

520,600 915,305

Western Forest Products

123,100 222,127

Winpak

13,500 606,084 **Total (Cost \$10,882,436)** **10,027,905** **CHINA 0.9%**

China Communications Services

118,400 68,243

TravelSky Technology

250,000 736,476

Xingda International Holdings

321,000 129,922

Xtep International Holdings

191,600 73,867 **Total (Cost \$627,507)** **1,008,508** **CYPRUS 0.3%**

Globaltrans Investment GDR

42,000 **319,200** **Total (Cost \$212,014)** **319,200** **DENMARK 1.9%**

Chr. Hansen Holding

9,000 654,573

Coloplast Cl. B

7,000 584,915

SimCorp

7,500 454,353

Zealand Pharma 1

24,000 481,080 **Total (Cost \$1,550,713)** **2,174,921** **FRANCE 4.4%**

Bigben Interactive 1

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10,000 110,332

HighCo

16,200 115,643

Interparfums

16,500 624,350

Manutan International

900 88,927

Neurones

22,250 684,113

**Rothschild & Co**

33,000 1,204,602

Thermador Groupe

9,500 1,011,259

Vetoquinol

10,000 583,867

Virbac 1

4,500 722,124 **Total (Cost \$3,880,469)** 5,145,217 **GEORGIA 0.1%**

BGEO Group 2,200 100,117 **Total (Cost \$63,649)** 100,117 **GERMANY 4.3%**

Bertrandt

2,000 200,470

CANCOM

3,700 224,948

Carl Zeiss Meditec

17,500 908,237

CompuGroup Medical

12,500 701,423

Fielmann

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8,000	617,126			
HolidayCheck Group 1				
25,100	87,982			
KWS Saat				
1,800	708,144			
MorphoSys 1				
6,000	425,565			
mutares				
5,000	77,552			
STRATEC Biomedical				
15,000	983,391			
VIB Vermoegen				
3,600	85,031	<b>Total (Cost \$3,732,480)</b>	<b>5,019,869</b>	<b>GREECE 0.2%</b>
Aegean Marine Petroleum Network 2				
2,500	14,625			
Hellenic Exchanges - Athens Stock Exchange				
28,000	181,648	<b>Total (Cost \$160,960)</b>	<b>196,273</b>	<b>HONG KONG 1.9%</b>
Anxin-China Holdings 1,4				
2,500,000	0			
China Metal International Holdings				
430,000	160,270			
First Pacific				
180,000	132,796			
HKBN				
105,900	106,206			
I.T				
365,800	180,383			

Oriental Watch Holdings

465,900 101,445

Pico Far East Holdings

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418,200 175,155

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June 30, 2017 (unaudited)

**Schedule of Investments (continued)**

<b>SHARES</b>	<b>VALUE</b>	<b>HONG KONG (continued)</b>		
Television Broadcasts				
54,000	\$ 203,344			
<b>Value Partners Group</b>				
1,275,000	1,161,103	<b>Total (Cost \$2,495,560)</b>	<b>2,220,702</b>	<b>INDIA 2.1%</b>
<b>Bajaj Finance</b>				
53,500	1,136,878			
IIFL Holdings				
5,500	51,522			
Kewal Kiran Clothing				
6,500	172,562			
Manappuram Finance				
55,100	83,199			
SH Kelkar & Company 1				
85,000	345,918			
Vakrangee				
95,000	632,059	<b>Total (Cost \$1,546,947)</b>	<b>2,422,138</b>	<b>INDONESIA 0.6%</b>
Selamat Sempurna				
8,000,000	<b>723,316</b>	<b>Total (Cost \$716,411)</b>	<b>723,316</b>	<b>IRELAND 0.6%</b>
Ardmore Shipping 2,3				
12,300	100,245			
Irish Continental Group				
26,700	154,917			

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Irish Residential Properties REIT

57,281 88,976

Keywords Studios

37,500 364,604 **Total (Cost \$417,749)** 708,742 **ISRAEL 0.4%**

Frutarom Industries

5,000 349,879

Nova Measuring Instruments 1,2

3,600 79,524

Sarine Technologies

25,700 28,747 **Total (Cost \$407,197)** 458,150 **ITALY 0.9%**

Banca Farmafactoring 1

22,000 125,636

DiaSorin

10,000 768,096

Openjobmetis 1

9,800 117,751 **Total (Cost \$668,671)** 1,011,483 **JAPAN 9.9%**

Ai Holdings

30,000 806,846

Ateam

5,500 145,721

C. Uyemura & Co.

1,300 66,806

GCA

11,000 97,995

G-Tekt

3,100 57,659

Horiba



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10,000	607,246
IDOM	
29,600	203,956
Inabata & Co.	
6,500	86,050
Investors Cloud	
2,600	126,677
Itochu Techno-Solutions	
3,000	104,823
Kenedix	
16,900	79,636
Kenko Mayonnaise	
3,300	95,061
Kintetsu World Express	
4,000	70,487
Leopalace21	
10,600	65,782
Mandom Corporation	
1,600	86,633
Maruwa Unyu Kikan	
950	35,432
Meitec Corporation	
26,300	1,118,875
Miraca Holdings	
1,400	62,858
MISUMI Group	
43,800	999,251

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Nabtesco

2,400 69,669

Nifco

1,300 69,696

Nihon Kohden

35,000 807,202

NS Solutions

4,900 116,319

Open House

2,900 89,211

Outsourcing

2,200 107,188

Pressance

3,700 48,752

Relo Group

57,500 1,118,049

Ryobi

16,100 65,416

Santen Pharmaceutical

80,000 1,083,974

Shimano

3,500 553,279

SPARX Group

55,100 105,816

Sugi Holdings

12,500 669,038

Sun Frontier Fudousan

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7,300 73,211

Tokai Corporation

1,800 71,216

Tokuyama Corporation 1

19,800 95,237

**USS**

62,500 1,240,831

Yumeshin Holdings

13,500 89,660

Zenkoku Hoshu

4,000 163,414 **Total (Cost \$8,584,143)** **11,554,972** **MEXICO 0.8%**

Becle SAB de CV 1

200,000 341,070

Bolsa Mexicana de Valores

250,000 439,149

Rassini 1

23,400 115,396 **Total (Cost \$897,653)** **895,615** **NETHERLANDS 0.1%**

AMG Advanced Metallurgical Group

2,400 70,105

Constellium Cl. A 1

8,900 61,410 **Total (Cost \$104,166)** **131,515** **NEW ZEALAND 0.8%**

Fisher & Paykel Healthcare

100,891 846,532

New Zealand Refining

43,100 77,064 **Total (Cost \$643,361)** **923,596** **NORWAY 1.2%**

Nordic Semiconductor 1

28,300 112,539

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NRC Group

10,900 73,113

Protector Forsikring

10,500 88,037 **TGS-NOPEC Geophysical** 55,000 1,127,175 **Total (Cost \$1,350,045)** 1,400,864  
**PHILIPPINES 0.2%**

Integrated Micro-Electronics

756,900 199,500

Universal Robina

22,500 72,637 **Total (Cost \$155,675)** 272,137 **POLAND 0.4%**

Warsaw Stock Exchange

33,000 434,758 **Total (Cost \$459,764)** 434,758 **SINGAPORE 0.8%**

CSE Global

320,300 100,039

Duty Free International

563,080 101,372

XP Power

25,000 790,912 **Total (Cost \$781,924)** 992,323 **SOUTH AFRICA 0.5%**

Adcock Ingram Holdings

24,100 108,871

Coronation Fund Managers

59,000 293,997

JSE

15,000 140,466

Raubex Group

46,100    84,677    **Total (Cost \$715,434)**    **628,011**

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS** 2017 Semiannual Report to Stockholders |  
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## Royce Global Value Trust

### Schedule of Investments (continued)

SHARES	VALUE		SOUTH KOREA	0.5%		
Koh Young Technology						
3,200	\$ 167,810					
KT Skylife						
11,600	165,765					
Modetour Network						
7,494	207,303	<b>Total (Cost \$398,205)</b>	<b>540,878</b>		<b>SPAIN</b>	<b>0.1%</b>
Atento 1,2						
16,400	<b>182,860</b>	<b>Total (Cost \$181,133)</b>	<b>182,860</b>		<b>SWEDEN</b>	<b>2.2%</b>
Addtech Cl. B						
53,960	1,027,999					
Boozt 1						
10,000	98,520					
Bravida Holding						
100,000	730,590					
Byggmax Group						
21,400	155,584					
Dustin Group						
19,500	162,023					
Hoist Finance						
8,000	81,902					
Knowit						

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6,200	95,487				
Proact IT Group					
7,600	184,481	<b>Total (Cost \$1,981,794)</b>	<b>2,536,586</b>	<b>SWITZERLAND</b>	<b>4.0%</b>
Burckhardt Compression Holding					
2,500	716,967				
dormakaba Holding					
800	694,963				
LEM Holding					
600	775,889				
Partners Group Holding					
1,600	991,970				
<b>VZ Holding</b>					
4,600	1,476,327	<b>Total (Cost \$3,291,021)</b>	<b>4,656,116</b>	<b>TAIWAN</b>	<b>1.0%</b>
Egis Technology 1					
9,600	65,641				
Flytech Technology					
32,780	106,896				
Formosa Laboratories					
58,100	166,737				
Gourmet Master					
11,330	122,164				
Posiflex Technology					
17,404	94,401				
Sinmag Equipment					
15,000	87,771				
Sitronix Technology					
40,400	124,573				

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Sporton International

26,997 136,671

Taiwan Paiho

42,500 159,969

TCI

21,700 138,033 **Total (Cost \$1,114,367)** **1,202,856** **THAILAND 0.1%**

Krungthai Card

30,800 **108,802** **Total (Cost \$117,472)** **108,802** **TURKEY 0.1%**

Tat Gida Sanayi

74,700 **151,377** **Total (Cost \$148,678)** **151,377** **UNITED KINGDOM 11.6%**

Abcam

30,000 380,380

**Ashmore Group**

279,000 1,283,470

AVEVA Group

18,500 467,449

Avon Rubber

8,700 115,579

Character Group

11,400 71,641

**Clarkson**

38,100 1,253,485

Computacenter

14,800 156,331

Connect Group

68,500 100,593

Consort Medical

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64,800	881,967
Conviviality	
51,600	206,996
Diploma	
30,000	431,762
dotdigital group	
150,200	132,049
Elementis	
175,000	670,338
Epwin Group	
47,500	68,053
Equiniti Group	
200,000	650,574
Ferroglobe	
41,100	491,145
Ferroglobe (Warranty Insurance Trust) 1,4	
41,100	0
Fidessa Group	
10,000	301,778
Finsbury Food Group	
66,400	100,320
Hilton Food Group	
19,200	184,552
Inspired Energy	
143,000	32,594
ITE Group	
350,000	702,020



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Jupiter Fund Management

36,000 236,785

Just Eat 1

3,000 25,593

Norcros

57,560 136,444

Pendragon

278,600 112,487

Polypipe Group

60,000 298,756

Rank Group

40,000 123,577

Real Estate Investors

90,000 70,918

Rotork

175,000 536,544

**Spirax-Sarco Engineering**

18,000 1,254,259

Stallergenes Greer 1

10,800 465,408

Victrex

40,000 977,358

Xaar

115,000 566,175 **Total (Cost \$13,467,956)** **13,487,380** **UNITED STATES 31.8%**

**Air Lease Cl. A**

30,700 1,146,952

Brooks Automation 2,3

18,100 392,589

Century Casinos 1

21,400 157,718

CIRCOR International

18,100 1,074,778

**Cognex Corporation**

17,100 1,451,790

Coherent 1

5,000 1,124,950

Commercial Metals

42,000 816,060

**Copart 1**

37,200 1,182,588

Diebold Nixdorf 2,3

28,800 806,400

Diodes 1

20,500 492,615

DST Systems

11,600 715,720

EnerSys 2

11,000 796,950

Expeditors International of Washington 2

13,300 751,184

FLIR Systems 2,3

14,100 488,706

Greif Cl. A 2

8,700 485,286

Innospec 2,3

12,457 816,557

Kadant

7,800 586,560

KBR 2

73,400 1,117,148

**Kirby Corporation 1,2,3**

32,900 2,199,365

**Lindsay Corporation**

13,700 1,222,725

Littelfuse

5,000 825,000

**ManpowerGroup**

11,000 1,228,150

MBIA 1

80,300 757,229

Nanometrics 1,2,3

44,500 1,125,405

National Instruments 2,3

19,000 764,180

New York REIT 1

50,000 432,000

Oaktree Capital Group LLC Cl. A

10,400 484,640

Popular

13,100 546,401

**Quaker Chemical 2**

8,400 1,219,932

**Raven Industries**

50,000 1,665,000

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June 30, 2017 (unaudited)

**Schedule of Investments (continued)**

<b>SHARES</b>	<b>VALUE</b>	<b>UNITED STATES (continued)</b>
Rogers Corporation 1,2		
6,000	\$ 651,720	
Schnitzer Steel Industries Cl. A 2		
19,100	481,320	
SEACOR Holdings 1		
20,200	692,860	
SEACOR Marine Holdings 1		
20,309	413,491	
<b>SEI Investments 2</b>		
40,600	2,183,468	
Sensient Technologies 2,3		
9,500	765,035	
Signet Jewelers		
5,500	347,820	
Standard Motor Products		
11,200	584,864	
Sun Hydraulics 2		
15,139	645,981	
Tennant Company 2,3		
11,600	856,080	
Valmont Industries		
4,500	673,200	

**Virtu Financial Cl. A**

74,300 1,311,395

World Fuel Services

12,000 461,400 **Total (Cost \$29,763,578)** 36,943,212 **URUGUAY 0.3%**

Arcos Dorados Holdings Cl. A 1

46,800	<b>348,660</b>	<b>Total (Cost \$351,426)</b>	<b>348,660</b>	<b>TOTAL COMMON STOCKS</b>
<b>(Cost \$98,836,109)</b>	<b>116,706,373</b>		<b>REPURCHASE AGREEMENT</b>	<b>6.6%</b>
Corporation, 0.12% dated 6/30/17, due 7/3/17, maturity value				
\$7,657,077 (collateralized by obligations of various U.S. Government Agencies, 2.375%				
due 8/15/24, valued at \$7,812,982) <b>(Cost \$7,657,000)</b>				
			<b>7,657,000</b>	<b>TOTAL INVESTMENTS 106.9%</b>
<b>(Cost \$106,493,109)</b>	<b>124,363,373</b>		<b>LIABILITIES LESS CASH AND OTHER ASSETS</b>	<b>(6.9)%</b>
<b>(8,048,860 )</b>	<b>NET ASSETS</b>	<b>100.0%</b>	<b>\$ 116,314,513</b>	

New additions in 2017. 1 Non-income producing. 2

All or a portion of these securities were pledged as collateral in connection with the Fund s revolving credit agreement at June 30, 2017. Total market value of pledged securities at June 30, 2017, was \$13,389,556.

3

At June 30, 2017, a portion of these securities were rehypothecated in connection with the Fund s revolving credit agreement in the aggregate amount of \$6,211,095.

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Securities for which market quotations are not readily available represent 0.0% 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.

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 June 30, 2017, market value.**

**TAX INFORMATION:** The cost of total investments for Federal income tax purposes was \$106,553,829. At June 30, 2017, net unrealized appreciation for all securities was \$17,809,544, consisting of aggregate gross unrealized appreciation of \$23,819,812 and aggregate gross unrealized depreciation of \$6,010,268. The primary cause of the difference between book and tax basis cost is the timing of the recognition of losses on securities sold.



THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS 2017 Semiannual Report to Stockholders | 13

## Royce Global Value Trust June 30, 2017 (unaudited)

### Statement of Assets and Liabilities

ASSETS:	Investments at value	\$ 116,706,373	Repurchase agreements (at cost and value)	7,657,000	Cash and foreign currency	15,447	Receivable for investments sold	9,942	Receivable for dividends and interest	218,254	
	Prepaid expenses and other assets	15,833	<b>Total Assets</b>	<b>124,622,849</b>	LIABILITIES:	Revolving credit agreement	8,000,000	Payable for investment advisory fee	118,929	Payable for directors' fees	8,073
	for interest expense	999	Accrued expenses	40,297	Deferred capital gains tax	140,038	<b>Total Liabilities</b>	<b>8,308,336</b>	<b>Net Assets</b>	<b>\$ 116,314,513</b>	
ANALYSIS OF NET ASSETS:											
	10,415,422 shares outstanding (150,000,000 shares authorized)	\$ 117,477,118	Undistributed net investment income (loss)	(428,119)	Accumulated net realized gain (loss) on investments and foreign currency	(18,464,782)	Net unrealized appreciation (depreciation) on investments and foreign currency	17,730,296	<b>Net Assets (net asset value per share - \$11.17)</b>	<b>\$ 116,314,513</b>	
	Investments at identified cost	\$ 98,836,109									

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## Royce Global Value Trust





**Statement of Changes in Net Assets**

<b>SIX MONTHS ENDED</b>	<b>6/30/17</b>	<b>(UNAUDITED)</b>	<b>YEAR ENDED 12/31/16</b>	<b>INVESTMENT</b>
OPERATIONS:	Net investment income (loss)	\$ 244,621	\$ 651,129	Net realized gain (loss) on investments and foreign currency
1,680,916	(1,449,508)			Net change in unrealized appreciation (depreciation) on investments and foreign currency
14,161,189	10,740,946			<b>Net increase (decrease) in net assets from investment operations</b>
<b>9,942,567</b>				<b>16,086,726</b>
DISTRIBUTIONS:	Net investment income	(1,435,789)		Net realized gain on investments and foreign currency
	Return of capital	(12,497)		<b>Total distributions</b>
				<b>(1,448,286)</b>
TRANSACTIONS:	Reinvestment of distributions	559,946		<b>CAPITAL STOCK</b>
				<b>Total capital stock transactions</b>
				<b>559,946</b>
<b>Net Increase (Decrease) In Net Assets</b>	<b>16,086,726</b>	<b>9,054,227</b>	<b>NET ASSETS:</b>	<b>Beginning of period</b>
<b>100,227,787</b>	<b>91,173,560</b>	<b>End of period (including undistributed net investment income (loss) of \$(428,119) at 6/30/17 and \$(672,740) at 12/31/16)</b>	<b>\$ 116,314,513</b>	<b>\$ 100,227,787</b>

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**Royce Global Value Trust** Six Months Ended June 30, 2017 (unaudited)

**Statement of Operations**

<b>INVESTMENT INCOME:</b>	INCOME:	Dividends	\$ 1,212,111	Foreign withholding tax	(66,605)	Interest	2,293
Rehypothecation income	1,149	<b>Total income</b>	<b>1,148,948</b>	EXPENSES:	Investment advisory fees	674,539	
Interest expense	83,884	Custody and transfer agent fees	43,199	Stockholder reports	35,642	Professional fees	30,548
Directors' fees	13,433	Administrative and office facilities	12,904	Other expenses	10,230	<b>Total</b>	
<b>expenses</b>	<b>904,379</b>	Compensating balance credits	(52)	<b>Net expenses</b>	<b>904,327</b>	<b>Net investment income (loss)</b>	
<b>244,621</b>		<b>REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY:</b>		<b>NET REALIZED</b>			
		INVESTMENTS:	1,677,715	Foreign currency transactions	3,201	<b>NET CHANGE IN UNREALIZED</b>	
		APPRECIATION (DEPRECIATION):		Investments and foreign currency translations	14,222,856	Other assets and liabilities denominated in foreign currency	(61,667)
		<b>Net realized and unrealized gain (loss) on investments and foreign currency</b>	<b>15,842,105</b>	<b>NET INCREASE (DECREASE) IN NET ASSETS FROM INVESTMENT OPERATIONS</b>	<b>\$ 16,086,726</b>		

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**Royce Global Value Trust** Six Months Ended June 30, 2017 (unaudited)

**Statement of Cash Flows**

CASH FLOWS FROM OPERATING ACTIVITIES: Net increase (decrease) in net assets from investment operations \$ 16,086,726 Adjustments to reconcile net increase (decrease) in net assets from investment operations to net cash used for operating activities:

Purchases of long-term investments

(12,260,513)

Proceeds from sales and maturities of long-term investments

12,720,762

Net purchases, sales and maturities of short-term investments

(867,000)

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

(17,895 )

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

57,981

Net change in unrealized appreciation (depreciation) on investments

(14,222,856 )

Net realized gain (loss) on investments and foreign currency

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(1,680,916 ) **Net cash used for operating activities** (183,711 ) CASH FLOWS FROM FINANCING ACTIVITIES: Net  
increase (decrease) in revolving credit agreement Distributions Reinvestment of distributions **Net cash used**  
**for financing activities** **INCREASE (DECREASE) IN CASH:** (183,711 ) **Cash and foreign currency at beginning of**  
**period** 199,158 **Cash and foreign currency at end of period** \$ 15,447

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## Royce Global Value Trust

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**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>SIX MONTHS</b>				<b>YEARS ENDED</b>		<b>PERIOD ENDED</b>		<b>12/31/16</b>	<b>12/31/15</b>		
<b>ENDED 6/30/2017(UNAUDITED)</b>	<b>12/31/14</b>	<b>12/31/131</b>	<b>Net Asset Value, Beginning of Period</b>	<b>\$ 9.62</b>	<b>\$ 8.81</b>	<b>\$ 9.25</b>	<b>\$ 10.05</b>	<b>\$ 9.78</b>	<b>INVESTMENT</b>		
<b>OPERATIONS:</b>											
				Net investment income (loss)		0.02	0.06	0.10	0.13	(0.00)	
and unrealized gain (loss) on investments and foreign currency				1.53	0.90	(0.43)	(0.77)	0.27	<b>Net increase</b>		
<b>(decrease) in net assets from investment operations</b>				<b>1.55</b>	<b>0.96</b>	<b>(0.33)</b>	<b>(0.64)</b>	<b>0.27</b>	<b>DISTRIBUTIONS:</b>		
Net investment income				(0.14)	(0.10)	(0.15)	Net realized gain on investments and foreign				
currency				<b>Total distributions</b>		(0.14)	(0.10)	(0.15)	<b>CAPITAL STOCK</b>		
<b>TRANSACTIONS:</b>											
				Effect of reinvestment of distributions by Common Stockholders						(0.01)	
(0.01)	(0.01)	<b>Total capital stock transactions</b>		<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>Net Asset Value, End of</b>				
<b>Period</b>				<b>\$ 11.17</b>	<b>\$ 9.62</b>	<b>\$ 8.81</b>	<b>\$ 9.25</b>	<b>\$ 10.05</b>	<b>Market Value, End of Period</b>		
				<b>\$ 9.61</b>	<b>\$ 8.04</b>	<b>\$ 7.45</b>	<b>\$ 8.04</b>	<b>\$ 8.89</b>			
<b>TOTAL RETURN:</b>											
				Net Asset Value		16.11 % <sup>3</sup>	11.12 %	(3.44) %	(6.23) %	2.76 % <sup>3</sup>	
Market Value				19.58 % <sup>3</sup>	9.77 %	(6.06) %	(7.86) %	(0.95) % <sup>3</sup>	<b>RATIOS BASED ON AVERAGE NET ASSETS:</b>		
Investment advisory fee expense				1.25 % <sup>4</sup>	1.25 %	1.25 %	1.25 %	1.25 % <sup>4</sup>	Other operating		
expenses				0.43 % <sup>4</sup>	0.46 %	0.43 %	0.24 %	0.37 % <sup>4</sup>	Total expenses (net)		
1.62 % <sup>4</sup>				Expenses excluding interest expense		1.52 % <sup>4</sup>	1.57 %	1.58 %	1.49 %	1.62 % <sup>4</sup>	
1.68 % <sup>4</sup>				Expenses prior to balance		1.68 % <sup>4</sup>	1.71 %	1.68 %	credits		
1.30 %				Net investment income (loss)		0.45 % <sup>4</sup>	0.69 %	1.03 %			
(0.13) % <sup>4</sup>				<b>SUPPLEMENTAL DATA:</b>		Net Assets End of Period (in thousands)				\$ 116,315	
100,228				\$ 91,174	\$ 95,285	\$ 102,684	Portfolio Turnover Rate		10 %	59 %	
						65 %	43 %	7 %	<b>REVOLVING</b>		
<b>CREDIT AGREEMENT:</b>											
				Asset coverage		1554 %	1353 %	1240 %	Asset coverage per		
\$1,000				15,539	13,528	12,397					

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 (unaudited)

#### Summary of Significant Accounting Policies

Royce Global Value Trust, Inc. (the "Fund"), is a diversified closed-end investment company that was incorporated under the laws of the State of Maryland on February 14, 2011. The Fund commenced operations on October 18, 2013.

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

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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. Any 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 June 30, 2017. For a detailed breakout of common stocks by country, please refer to the Schedule of Investments.

<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>LEVEL 3</b>	<b>TOTAL</b>	Common Stocks	\$116,706,373	\$	\$0	<b>\$116,706,373</b>	Cash Equivalents
					7,657,000			<b>7,657,000</b>	

Certain securities have transferred in and out of Level 1 and Level 2 measurements during the reporting period. The Fund recognizes transfers between levels as of the end of the reporting period. For the six months ended June 30, 2017, securities valued at \$61,425,779 were transferred from Level 2 to Level 1 within the fair value hierarchy.

## Royce Global Value Trust

### Notes to Financial Statements (unaudited) (continued)

#### VALUATION OF INVESTMENTS (continued):

Level 3 Reconciliation:		BALANCE AS OF 12/31/16				REALIZED AND UNREALIZED	
GAIN (LOSS) <sup>1</sup>	BALANCE AS OF 6/30/17	Common Stocks	\$9,349	\$(9,349)	\$0	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. The remaining contractual maturity of the repurchase agreement held by the Fund at June 30, 2017 is overnight and continuous.

#### 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.

#### 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.

#### 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.

#### 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. Premiums 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 ( "Royce" ) under an administration agreement and are included in administrative and office facilities and professional fees.

## Royce Global Value Trust

### Notes to Financial Statements (unaudited) (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 70,522 shares of Common Stock as reinvestment of distributions for the year ended December 31, 2016.

#### Borrowings:

The Fund is party to a revolving credit agreement (the credit agreement) with BNP Paribas Prime Brokerage International, Limited (BNPPI). 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 or as otherwise required by applicable regulatory standards and has granted a security interest in the securities pledged to, and in favor of, BNPPI 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 which may necessitate the sale of portfolio securities at potentially inopportune times. BNPPI may terminate the credit agreement upon certain ratings downgrades of its corporate parent, which would result in the Fund's entire loan balance becoming immediately due and payable. The occurrence of such ratings downgrades may necessitate the sale of portfolio securities at potentially inopportune times. The credit agreement also permits, subject to certain conditions, BNPPI 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 BNPPI on demand. If BNPPI fails to deliver the recalled security in a timely manner, the Fund is compensated by BNPPI for any fees or losses related to the failed delivery or, in the event a recalled security is not returned by BNPPI, the Fund, upon notice to BNPPI, may reduce the loan balance outstanding by the value of the recalled security failed to be returned. The Fund receives a portion of the fees earned by BNPPI in connection with the rehypothecation of portfolio securities.

As of June 30, 2017, the Fund has outstanding borrowings of \$8,000,000. During the six months ended June 30, 2017, the Fund borrowed an average daily balance of \$8,000,000 at a weighted average borrowing cost of 2.09%. The maximum amount outstanding during the six months ended June 30, 2017 was \$8,000,000. As of June 30, 2017, the aggregate value of rehypothecated securities was \$6,211,095. During the six months ended June 30, 2017, the Fund earned \$1,149 in fees from rehypothecated securities.

#### 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 six months ended June 30, 2017, the Fund expensed Royce investment advisory fees totaling \$674,539.

#### Purchases and Sales of Investment Securities:

For the six months ended June 30, 2017, the costs of purchases and proceeds from sales of investment securities, other than short-term securities, amounted to \$11,134,896 and \$11,226,117, respectively.





## MANAGER'S DISCUSSION Royce Micro-Cap Trust (RMT)

### Chuck Royce

**FUND PERFORMANCE** Royce Micro-Cap Trust ( RMT ) gained a more-than-respectable 5.9% on a net asset value ( NAV ) basis and an impressive 10.1% on a market price basis for the year-to-date period ended June 30, 2017, outpacing each of its unleveraged benchmarks: the small-cap Russell 2000 Index was up 5.0% while the Russell Microcap Index increased 4.2% for the same period. The Fund's results were all the more notable in that they were achieved in a period that showed more favor to larger market caps, high growth, and low quality than was given to the kind of micro-cap companies we seek using RMT's diversified, multi-theme core approach. In fact, leadership in the first half of 2017 reversed most of what worked in 2016, when the Fund also beat both its benchmarks. In a challenging first quarter for both value stocks and micro-caps, RMT gained 2.4% on an NAV basis and 4.8% based on market price while the Russell 2000 was up 2.5% and the Russell Microcap gained 0.4%. The first quarter's leadership shifts remained largely in place through the end of June with large-caps, growth, healthcare, and non-U.S. equities all staying in the lead after lagging in 2016. For the second quarter, the Fund advanced 3.5% on an NAV basis and 5.0% on a market price basis compared to 2.5% for the small-cap index and 3.8% for the micro-cap index. On an NAV basis, RMT outpaced the Russell Microcap for the 10- and 15-year periods ended June 30, 2017 while it also beat the Russell 2000 for the 15-, 20-year, and since inception (12/14/93) periods. (Returns for the Russell Microcap Index only go back to 2000.) **RMT's average annual NAV total return for the since inception period ended June 30, 2017 was 10.8%.**

**WHAT WORKED... AND WHAT DIDN'T** Eight of the Fund's 11 equity sectors made positive contributions to first-half performance, led by Information Technology, Industrials, and Health Care. (After correcting in 2016, Health Care rallied in the first half to land as the top-contributing sector in both the small- and micro-cap indexes.) While several of the portfolio's industry groups made solid contributions to performance in the semiannual period, the positive impacts of machinery (Industrials) and biotechnology (Health Care) stood out most. Also notable was the fact that the Information Technology sector had five groups among the Fund's 10-best performers at the industry level. RMT's top contributor at the position level in the first half was Sangamo Therapeutics, which develops genomic therapies and medications that treat genetic diseases. Its share price surged in May when a collaboration with Pfizer to work on gene therapies for hemophilia was announced. From the Information Technology sector, Care.com offers home care services for children, adults, seniors, and even pets. Two consecutive quarters of revenue growth made investors feel at home, as did the company's announcement of increased guidance for the rest of fiscal 2017. Shares of gold miner Exeter Resource were mostly moving upward before the announcement of its acquisition at an attractive premium drove its shares even higher and led us to begin selling our position.

Of the three sectors that detracted from first-half results, only Energy made a notably negative impact, as net losses for Consumer Discretionary and Financials were comparably minor. A similar pattern played out at the industry level, where the only significant detraction came from energy equipment & services. At each level, tumbling oil prices led to formidable difficulties. The Fund's top detractor at the position level was Era Group, which provides helicopter transportation services and personnel primarily to and from offshore oil drilling rigs and platforms. The challenges wrought by falling oil prices were reflected in disappointing earnings. Liking the long-term prospects for its niche business, we held shares at the end of June. Our experience with automotive parts recycler and reseller Fenix Parts continued to be highly disappointing as its shares were delisted on Nasdaq when it missed financial reporting filing deadlines. Toronto-based Dundee Corporation, which is involved in wealth management, real estate, and natural resources, experienced losses in mining- and resource-based activities that put downward pressure on its shares. Relative to the Russell 2000, RMT benefited most from superior stock selection in Industrials, specifically in the previously mentioned machinery group. Also helping relative results were our lower exposure to banks, which gave us an edge in Financials, and stock-picking advantages in Materials and Information Technology. Conversely, stock selection in both Health Care and, to a lesser extent, Consumer Discretionary hurt the Fund vis-à-vis the small-cap index.

**Top Contributors to Performance** Year-to-Date Through 6/30/17 (%)<sup>1</sup>

Sangamo Therapeutics	0.39	Care.com	0.34
Exeter Resource	0.28	Intevac	0.27
Major Drilling Group International	0.25	1 Includes dividends	

**Top Detractors from Performance** Year-to-Date Through 6/30/17 (%)<sup>2</sup>

Era Group	-0.54	Fenix Parts	-0.25
Dundee Corporation Cl. A	-0.24	Matrix Service	-0.18
Alcobra	-0.17	2 Net of dividends	

**CURRENT POSITIONING AND OUTLOOK** We think that RMT's portfolio remains well-positioned to benefit from a cyclical upswing. So while a correction would not be surprising, we are optimistic that expanding global growth can help certain micro-cap companies, especially those with earnings growth. The message that we have been receiving from the companies we speak to each day remains positive. With order books continuing to fill up, the management teams remain confident about their business, which in turn gives us a lot of confidence in the long-term prospects for RMT's multi-themed core approach.

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

### Performance

Average Annual Total Return (%) Through 6/30/17	<b>JAN-JUN 2017</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>SINCE INCEPTION (12/14/93)</b>
RMT (NAV)	5.93	22.60	4.65	13.47	5.75	9.23	10.84	1 Not Annualized

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

Cumulative Performance of Investment <sup>1</sup>	<b>1-YR</b>	<b>5-YR</b>	<b>10-YR</b>	<b>15-YR</b>	<b>20-YR</b>	<b>SINCE INCEPTION (12/14/93)</b>	RMT	27.3%	89.5%
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54.5% 246.3% 587.5% 865.4%

1Reflects 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.

2Reflects 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.

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 61 for additional information.

**Top 10 Positions**      % of Net Assets      Major Drilling Group International 1.5    Mesa Laboratories 1.3    Surmodics 1.1  
 IES Holdings 1.1    Atrion Corporation 1.1    Kadant 1.1    Zealand Pharma 1.1    Heritage-Crystal Clean 1.0  
 Quaker Chemical 1.0    Seneca Foods 1.0

**Portfolio Sector Breakdown**      % of Net Assets      Industrials 21.1    Information Technology 19.9    Consumer Discretionary 15.0  
 Health Care 14.9    Financials 11.6    Materials 6.7    Energy 4.6    Real Estate 4.1    Consumer Staples 2.8  
 Utilities 0.4    Telecommunication Services 0.2    Miscellaneous 4.2    Outstanding Line of Credit, Net of Cash and Cash Equivalents -5.5

**Calendar Year Total Returns (%)**      **YEAR**    RMT    2016 22.0    2015 -11.7    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

**Portfolio Diagnostics**      Fund Net Assets \$377 million    Number of Holdings 365    Turnover Rate 5%    Net Asset Value \$9.82  
 Market Price \$8.65    Net Leverage<sup>1</sup> 5.5%    Average Market Capitalization<sup>2</sup> \$416 million    Weighted Average P/B Ratio<sup>3</sup> 1.9x  
 Active Share<sup>4</sup> 94%    U.S. Investments (% of Net Assets) 84.0%    Non-U.S. Investments (% of Net Assets) 21.5%

<sup>1</sup> Net leverage is the percentage, in excess of 100%, of the total value of equity type investments, divided by net assets.

<sup>2</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>3</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>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, net of the Fund's investment advisory fee, 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 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 above, the sum of all contributors to, and all detractors from, performance for all securities in the portfolio would approximate the Fund's year-to-date performance for 2017.

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## Royce Micro-Cap Trust

<b>Schedule of Investments</b>	<b>Common Stocks</b>	<b>105.5%</b>	<b>SHARES</b>	<b>VALUE</b>	<b>CONSUMER DISCRETIONARY</b>
<b>15.0%</b>	<b>AUTO COMPONENTS</b>	<b>- 1.8%</b>			
Fox Factory Holding <sup>1</sup>					
	5,300	\$ 188,680			
Motorcar Parts of America <sup>1</sup>					
	57,100	1,612,504			
Sebang Global Battery					
	50,500	1,754,469			
Standard Motor Products					
	53,860	2,812,569			
Stoneridge <sup>1</sup>					
	7,500	115,575			
Unique Fabricating					
	12,200	116,144	<b>6,599,941</b>		DISTRIBUTORS - 0.7%
Fenix Parts <sup>1,2</sup>					
	440,800	185,577			
Uni-Select					
	33,800	816,329			
Weyco Group					
	56,600	1,578,008	<b>2,579,914</b>		DIVERSIFIED CONSUMER SERVICES - 1.9%
American Public Education <sup>1</sup>					
	73,200	1,731,180			
Collectors Universe					
	108,200	2,688,770			

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Liberty Tax Cl. A

148,900 1,928,255

Universal Technical Institute<sup>1</sup>

270,000 963,900 **7,312,105** HOTELS, RESTAURANTS & LEISURE - 1.3%

Century Casinos<sup>1</sup>

222,500 1,639,825

Del Taco Restaurants<sup>1</sup>

8,200 112,750

Lindblad Expeditions Holdings<sup>1</sup>

234,000 2,457,000

Lindblad Expeditions Holdings (Warrants)<sup>1</sup>

18,100 40,725

Red Lion Hotels<sup>1</sup>

90,000 661,500 **4,911,800** HOUSEHOLD DURABLES - 4.0%

AV Homes<sup>1</sup>

82,000 1,644,100

Cavco Industries<sup>1,3,4</sup>

19,141 2,481,631

Ethan Allen Interiors<sup>3</sup>

45,200 1,459,960

Flexsteel Industries<sup>3</sup>

16,100 871,171

iRobot Corporation<sup>1,3,4</sup>

15,000 1,262,100

Lifetime Brands<sup>3,4</sup>

124,294 2,255,936

PICO Holdings<sup>1,3,4</sup>

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147,100	2,574,250		
Stanley Furniture			
193,468	218,619		
Universal Electronics1			
15,100	1,009,435		
ZAGG1			
131,300	1,135,745	<b>14,912,947</b>	INTERNET & DIRECT MARKETING RETAIL - 0.7%
FTD Companies1			
67,200	1,344,000		
Gaia Cl. A1,3,4			
125,000	1,400,000	<b>2,744,000</b>	LEISURE PRODUCTS - 1.1%
American Outdoor Brands1,3,4			
27,100	600,536		
Black Diamond1			
194,926	1,296,258		
Nautilus1			
118,500	2,269,275	<b>4,166,069</b>	MEDIA - 0.6%
Entravision Communications Cl. A			
126,200	832,920		
McClatchy Company (The) Cl. A1			
69,313	647,383		
New Media Investment Group			
66,200	892,376	<b>2,372,679</b>	SPECIALTY RETAIL - 1.6%
AutoCanada			
115,200	1,694,954		
Barnes & Noble Education1			

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80,000	850,400		
Destination Maternity1			
212,000	686,880		
Destination XL Group1			
50,000	117,500		
Haverty Furniture			
30,000	753,000		
Kirkland s1			
11,000	113,080		
MarineMax1			
7,600	148,580		
Shoe Carnival3			
21,028	439,064		
Stage Stores3			
15,000	31,200		
TravelCenters of America LLC1			
5,400	22,140		
West Marine			
86,000	1,105,100	<b>5,961,898</b>	TEXTILES, APPAREL & LUXURY GOODS - 1.3%
Crown Crafts			
112,159	773,897		
Culp			
32,900	1,069,250		
J.G. Boswell Company2			
2,490	1,635,930		
YGM Trading			

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1,482,000	1,378,084		<b>4,857,161</b>	<b>Total (Cost \$54,578,416)</b>	<b>56,418,514</b>
<b>CONSUMER STAPLES</b>	<b>2.8%</b>		BEVERAGES - 0.2%		
Crimson Wine Group <sup>1,2</sup>					
58,124	<b>619,021</b>		FOOD PRODUCTS - 2.5%		
Farmer Bros. <sup>1,3,4</sup>					
62,600	1,893,650				
John B. Sanfilippo & Son <sup>3</sup>					
17,800	1,123,358				
Landec Corporation <sup>1,3,4</sup>					
75,610	1,122,809				
<b>Seneca Foods Cl. A1</b>					
73,087	2,269,351				
<b>Seneca Foods Cl. B1</b>					
40,400	1,454,400				
SunOpta <sup>1</sup>					
176,281	1,798,066		<b>9,661,634</b>	HOUSEHOLD PRODUCTS - 0.1%	
Central Garden & Pet <sup>1</sup>					
12,000	<b>381,480</b>	<b>Total (Cost \$6,140,646)</b>	<b>10,662,135</b>	<b>ENERGY</b>	<b>4.6%</b>
EQUIPMENT & SERVICES - 1.8%					
ENERGY					
Aspen Aerogels <sup>1</sup>					
94,985	422,683				
CARBO Ceramics <sup>1,3,4</sup>					
34,000	232,900				
CES Energy Solutions					
25,000	111,428				
Dawson Geophysical <sup>1</sup>					
73,654	288,724				
Era Group <sup>1</sup>					



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297,409	2,813,489		
Geospace Technologies <sup>1,3</sup>			
9,500	131,385		
Independence Contract Drilling <sup>1</sup>			
134,400	522,816		
Matrix Service <sup>1,3,4</sup>			
53,700	502,095		
Newpark Resources <sup>1</sup>			
11,200	82,320		
North American Energy Partners			
50,000	220,000		
Pioneer Energy Services <sup>1,3</sup>			
215,400	441,570		
TerraVest Capital			
84,000	647,749		
Tesco Corporation <sup>1,3</sup>			
58,000	258,100		
Trican Well Service <sup>1</sup>			
53,300	149,197	<b>6,824,456</b>	OIL, GAS & CONSUMABLE FUELS - 2.8%
Ardmore Shipping			
182,700	1,489,005		
Cross Timbers Royalty Trust			
67,631	1,036,107		
Dorchester Minerals L.P.			
106,127	1,533,535		
Dorian LPG <sup>1</sup>			
50,000	409,000		

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Hugoton Royalty Trust

287,574 517,633

Panhandle Oil and Gas Cl. A

5,500 127,050

Permian Basin Royalty Trust

176,333 1,534,097

Sabine Royalty Trust

59,548 2,307,485

San Juan Basin Royalty Trust

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143,407 976,602

24 | 2017 Semiannual Report to Stockholders **THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS**

June 30, 2017 (unaudited) **Schedule of Investments (continued)** **SHARES** **VALUE** **ENERGY**  
**(continued)** OIL, GAS & CONSUMABLE FUELS (continued)

StealthGas1

229,664	\$ 746,408	<b>10,676,922</b>	<b>Total (Cost \$20,962,860)</b>	<b>17,501,378</b>
<b>FINANCIALS</b>	<b>11.6%</b>	BANKS - 2.3%		

Bank of N.T. Butterfield & Son

43,810 1,493,921

Blue Hills Bancorp

50,000 895,000

Bryn Mawr Bank

25,000 1,062,500

Caribbean Investment Holdings1

735,647 126,954

Chemung Financial

31,000 1,267,280

Fauquier Bankshares

133,200 2,564,100

Live Oak Bancshares

30,900 747,780

Midway Investments1,5

735,647 0

Peapack-Gladstone Financial

20,606	644,762	<b>8,802,297</b>	CAPITAL MARKETS - 8.0%
--------	---------	------------------	------------------------

ASA Gold and Precious Metals

171,150 2,000,743

Canaccord Genuity Group

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224,100 921,077

Diamond Hill Investment Group<sup>3,4</sup>

3,584 714,650

Dundee Corporation Cl. A1

413,200 908,097

EQT Holdings

43,150 587,354

Fiera Capital Cl. A

78,000 827,036

GAIN Capital Holdings

25,000 155,750

Gluskin Sheff + Associates

67,400 870,566

INTL FCStone<sup>1,3,4</sup>

41,727 1,575,611

JZ Capital Partners

209,999 1,538,511

Manning & Napier Cl. A

136,600 594,210

Medley Management Cl. A

153,400 997,100

**MVC Capital<sup>3</sup>**

360,300 3,552,558

OHA Investment

154,620 196,367

Pzena Investment Management Cl. A

6,100 61,976

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Queen City Investments2

948 1,256,100

Silvercrest Asset Management Group Cl. A

203,300 2,734,385

Sprott

1,414,533 2,486,995

U.S. Global Investors Cl. A

646,254 988,769

Urbana Corporation

237,600 646,767

Value Line

144,774 2,649,364

Virtu Financial Cl. A

107,800 1,902,670

Warsaw Stock Exchange

52,900 696,930

Westaim Corporation1

20,000 48,890

Westwood Holdings Group3

12,400 702,956

ZAIS Group Holdings Cl. A1,3

262,960 612,697

**30,228,129**

CONSUMER FINANCE - 0.4%

EZCORP Cl. A1,3,4

201,000 1,547,700

J.G. Wentworth Company Cl. A1,2

135,000 28,350

**1,576,050**

DIVERSIFIED FINANCIAL SERVICES - 0.1%

Banca Finnat Euramerica

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568,000	240,034			
Waterloo Investment Holdings <sup>1,5</sup>				
806,207	241,862	<b>481,896</b>	INSURANCE - 0.8%	
Hallmark Financial Services <sup>1,3,4</sup>				
114,000	1,284,780			
State Auto Financial				
59,264	1,524,863	<b>2,809,643</b>	<b>Total (Cost \$48,839,680)</b>	<b>43,898,015</b>
<b>HEALTH CARE</b>	<b>14.9%</b>	<b>BIOTECHNOLOGY</b>	<b>- 4.7%</b>	
Abeona Therapeutics <sup>1</sup>				
312,221	1,998,214			
Aquinox Pharmaceuticals <sup>1,3,4</sup>				
145,397	2,045,736			
ARCA biopharma <sup>1</sup>				
179,847	440,625			
BioCryst Pharmaceuticals <sup>1</sup>				
144,000	800,640			
Invitae Corporation <sup>1</sup>				
156,412	1,495,299			
Keryx Biopharmaceuticals <sup>1</sup>				
117,725	851,152			
Kindred Biosciences <sup>1</sup>				
126,000	1,083,600			
Knight Therapeutics <sup>1</sup>				
187,000	1,483,829			
Progenics Pharmaceuticals <sup>1</sup>				
6,500	44,135			
Sangamo Therapeutics <sup>1</sup>				

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281,785	2,479,708		
Zafgen1			
332,491	1,167,043		
<b>Zealand Pharma1</b>			
199,700	4,002,988	<b>17,892,969</b>	HEALTH CARE EQUIPMENT & SUPPLIES - 5.3%
Analogic Corporation			
18,200	1,322,230		
<b>Atrion Corporation3,4</b>			
6,569	4,225,838		
Cerus Corporation1,3,4			
140,000	351,400		
CRH Medical1			
133,000	756,894		
<b>Exactech1,3,4</b>			
112,300	3,346,540		
Inogen1			
5,400	515,268		
Invacare Corporation3			
44,300	584,760		
LeMaitre Vascular			
5,000	156,100		
STRATEC Biomedical			
14,000	917,831		
<b>Surmodics1</b>			
151,992	4,278,575		
Syneron Medical1			

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69,200	757,740		
TearLab Corporation1			
8,500	14,280		
Utah Medical Products			
36,200	2,620,880	<b>19,848,336</b>	HEALTH CARE PROVIDERS & SERVICES - 3.1%
Aceto Corporation			
79,600	1,229,820		
BioTelemetry1			
49,700	1,662,465		
Cross Country Healthcare1			
157,100	2,028,161		
Landauer			
30,400	1,589,920		
National Research Cl. A			
89,529	2,408,330		
PharMerica Corporation1			
40,000	1,050,000		
Psychemedics Corporation			
37,500	935,625		
U.S. Physical Therapy			
10,000	604,000	<b>11,508,321</b>	HEALTH CARE TECHNOLOGY - 0.2%
Connecture1			
20,000	12,358		
Vocera Communications1			
33,100	874,502	<b>886,860</b>	PHARMACEUTICALS - 1.6%
Agile Therapeutics1,3,4			



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80,000	300,000		
Alcobra1			
745,055	834,462		
Flex Pharma1			
310,210	1,194,308		
Lipocine1			
355,404	1,428,724		
Theravance Biopharma1			
59,009	2,350,919	6,108,413	Total (Cost \$38,115,232) 56,244,899
<b>INDUSTRIALS</b>	<b>21.1%</b>	<b>AEROSPACE &amp; DEFENSE</b>	<b>- 0.7%</b>
Astronics Corporation1			
4,400	134,068		
Astronics Corporation Cl. B1,2			
660	19,965		
CPI Aerostructures1			
11,800	110,920		
FLYHT Aerospace Solutions1			
1,916,800	332,573		
Innovative Solutions and Support1			

142,828 628,443

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS 2017 Semiannual Report to Stockholders |  
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## Royce Micro-Cap Trust

Schedule of Investments (continued)	SHARES	VALUE	INDUSTRIALS (continued)
AEROSPACE & DEFENSE (continued)			
Mercury Systems <sup>1,3,4</sup>			
	29,700	\$ 1,250,073	
SIFCO Industries <sup>1</sup>			
	45,800	304,570	<b>2,780,612</b> BUILDING PRODUCTS - 1.3%
Burnham Holdings Cl. A2			
	117,000	1,772,550	
DIRTT Environmental Solutions <sup>1</sup>			
	171,000	903,262	
Insteel Industries			
	44,200	1,457,274	
Patrick Industries <sup>1</sup>			
	11,500	837,775	<b>4,970,861</b> COMMERCIAL SERVICES & SUPPLIES - 2.3%
Atento <sup>1</sup>			
	246,001	2,742,911	
CompX International Cl. A			
	107,500	1,639,375	
<b>Heritage-Crystal Clean<sup>1,3,4</sup></b>			
	241,677	3,842,664	
Team <sup>1,3</sup>			
	17,500	410,375	<b>8,635,325</b> CONSTRUCTION & ENGINEERING - 2.5%
Aecon Group			

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40,500	504,064		
Ameresco Cl. A1			
261,900	2,016,630		
<b>IES Holdings1</b>			
234,000	4,247,100		
Layne Christensen1,3,4			
50,000	439,500		
Northwest Pipe1,3,4			
61,600	1,001,616		
NV5 Global1,3,4			
27,400	1,164,500	<b>9,373,410</b>	ELECTRICAL EQUIPMENT - 1.1%
Encore Wire3			
4,100	175,070		
LSI Industries			
154,212	1,395,619		
Orion Energy Systems1			
170,000	217,600		
Powell Industries			
21,400	684,586		
Power Solutions International1,2,3,4			
21,100	176,185		
Preformed Line Products			
20,743	962,890		
Revolution Lighting Technologies1			
81,200	535,108	<b>4,147,058</b>	INDUSTRIAL CONGLOMERATES - 1.0%
<b>Raven Industries3</b>			
108,959	<b>3,628,335</b>		MACHINERY - 8.3%

Chart Industries<sup>1</sup>

1,100 38,203

**CIRCOR International**<sup>3</sup>

56,900 3,378,722

Columbus McKinnon

1,500 38,130

Eastern Company (The)

39,750 1,194,487

Exco Technologies

118,200 973,455

Foster (L.B.) Company<sup>1,3,4</sup>

99,300 2,129,985

FreightCar America

81,000 1,408,590

Global Brass and Copper Holdings

7,600 232,180

Graham Corporation<sup>3,4</sup>

78,050 1,534,463

Harsco Corporation<sup>1</sup>

4,400 70,840

Hurco Companies

36,866 1,281,094

**Kadant**

53,500 4,023,200

Kornit Digital<sup>1</sup>

35,700 690,795

Lindsay Corporation<sup>3</sup>

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29,400	2,623,950		
Luxfer Holdings ADR3			
59,712	763,716		
Lydall1			
1,800	93,060		
NN			
45,300	1,243,485		
<b>Sun Hydraulics</b>			
78,700	3,358,129		
Tennant Company			
36,600	2,701,080		
Titan International			
225,700	2,710,657		
Westport Fuel Systems1			
377,900	888,065	<b>31,376,286</b>	MARINE - 1.0%
<b>Clarkson</b>			
109,900	<b>3,615,696</b>		PROFESSIONAL SERVICES - 1.4%
Acacia Research1,3			
190,000	779,000		
BG Staffing			
2,400	41,712		
CBIZ1			
47,000	705,000		
Franklin Covey1			
40,100	773,930		
GP Strategies1			
7,600	200,640		

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Heidrick & Struggles International

46,300 1,007,025

Kforce3

4,700 92,120

Resources Connection

8,800 120,560

RPX Corporation1

100,000 1,395,000 **5,114,987** ROAD & RAIL - 0.6%

Marten Transport

3,300 90,420

Patriot Transportation Holding1,3

55,764 996,503

Universal Logistics Holdings3,4

77,600 1,164,000 **2,250,923** TRADING COMPANIES & DISTRIBUTORS - 0.9%

Central Steel & Wire2

788 433,400

EnviroStar

64,400 1,742,020

Houston Wire & Cable1

249,918 1,312,069 **3,487,489** **Total (Cost \$60,718,126) 79,380,982**  
**INFORMATION TECHNOLOGY 19.9%** COMMUNICATIONS EQUIPMENT - 1.0%

ADTRAN

23,300 481,145

Applied Optoelectronics1,3,4

3,500 216,265

CalAmp Corporation1

3,100 63,023

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Clearfield1

61,300 809,160

EMCORE Corporation

8,300 88,395

Harmonic1

147,000 771,750

Oclaro1

131,700 1,230,078

PCTEL

34,100 241,428  
COMPONENTS - 5.8%

**3,901,244**

ELECTRONIC EQUIPMENT, INSTRUMENTS &

Airgain1

3,500 49,630

Bel Fuse Cl. A

67,705 1,411,649

ePlus1

3,000 222,300

Fabrinet1

2,200 93,852

**FARO Technologies1,3**

81,700 3,088,260

Firan Technology Group1

25,000 83,475

HollySys Automation Technologies

62,900 1,044,769

Inficon Holding

3,420 1,685,212

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LRAD Corporation<sup>1</sup>

853,456 1,442,341

**Mesa Laboratories<sup>3,4</sup>**

35,000 5,015,850

Netlist<sup>1</sup>

63,600 64,872

Novanta<sup>1</sup>

37,600 1,353,600

**Orbotech<sup>1,3,4</sup>**

92,500 3,017,350

PC Connection

43,716 1,182,955

Perceptron<sup>1</sup>

8,500 61,880

Richardson Electronics

316,900 1,891,893

Rogers Corporation<sup>1,3</sup>

600 65,172

Vishay Precision Group<sup>1</sup>

10,000 173,000

**21,948,060**

INTERNET SOFTWARE & SERVICES - 3.7%

Actua Corporation<sup>1</sup>

36,876 518,108

Care.com<sup>1,3,4</sup>



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181,787 2,744,984

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June 30, 2017 (unaudited) **Schedule of Investments (continued)** **SHARES** **VALUE** **INFORMATION**  
**TECHNOLOGY (continued)** INTERNET SOFTWARE & SERVICES (continued)

comScore1,2

64,195 \$ 1,681,909

IZEA1

126,070 240,794

MINDBODY Cl. A1

38,900 1,058,080

QuinStreet1

525,550 2,191,543

Reis

25,000 531,250

Solium Capital1

309,700 2,342,811

Stamps.com1

14,500 2,245,687

Support.com1

105,600 247,104

**13,802,270**

IT SERVICES - 0.6%

Computer Task Group1,3

150,838 843,184

Hackett Group (The)

27,700 429,350

Innodata1

437,275 765,231

Virtusa Corporation1

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8,100	238,140	<b>2,275,905</b>	SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT -
4.6%			

Amtech Systems1,3

160,284	1,352,797
---------	-----------

Brooks Automation

103,800	2,251,422
---------	-----------

CyberOptics Corporation1

43,000	887,950
--------	---------

FormFactor1

22,869	283,576
--------	---------

Intermolecular1

240,000	223,200
---------	---------

IXYS Corporation1

18,800	309,260
--------	---------

Kopin Corporation1

242,200	898,562
---------	---------

Kulicke & Soffa Industries1

88,000	1,673,760
--------	-----------

MoSys1

68,427	117,010
--------	---------

Nanometrics1

67,300	1,702,017
--------	-----------

NeoPhotonics Corporation1

14,000	108,080
--------	---------

Nova Measuring Instruments1

73,400	1,621,406
--------	-----------

PDF Solutions1

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25,000	411,250		
Photronics1			
189,700	1,783,180		
Sigma Designs1			
89,000	520,650		
Silicon Motion Technology ADR			
34,100	1,644,643		
Ultra Clean Holdings1			
49,900	935,625		
Veeco Instruments1			
17,500	487,375		
Xcerra Corporation1			
11,300	110,401	<b>17,322,164</b>	SOFTWARE - 2.9%
Agilysys1			
170,587	1,726,341		
American Software Cl. A			
120,352	1,238,422		
BSQUARE Corporation1			
83,675	468,580		
Computer Modelling Group			
337,700	2,650,976		
Model N1			
166,693	2,217,017		
Monotype Imaging Holdings			
15,000	274,500		
PSI			
34,000	546,964		

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RealNetworks1

130,171 563,640

Rubicon Project1

92,200 473,908

SeaChange International1

284,200 755,972

Varonis Systems1

2,600 96,720  
1.3%

**11,013,040**

TECHNOLOGY HARDWARE, STORAGE & PERIPHERALS -

**Intevac1**

293,400 3,256,740

Kortek

135,007 1,563,469  
**MATERIALS 6.7%**

**4,820,209**

**Total (Cost \$62,452,717)**

**75,082,892**

CHEMICALS - 2.2%

Balchem Corporation

11,775 915,035

FutureFuel Corporation

85,262 1,286,604

LSB Industries1

135,800 1,402,814

**Quaker Chemical3**

26,000 3,775,980

Trecora Resources1

89,600 1,008,000

**8,388,433**

CONSTRUCTION MATERIALS - 0.8%

Ash Grove Cement2

7,600 2,014,076

Monarch Cement2

16,303 821,671

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U.S. Concrete1

3,400 267,070 **3,102,817** CONTAINERS & PACKAGING - 0.3%

UFP Technologies1

36,445 **1,031,394** METALS & MINING - 3.4%

Alamos Gold Cl. A

186,044 1,319,868

Ampco-Pittsburgh

79,002 1,165,279

Comstock Mining1

1,875,000 342,750

Haynes International3

26,100 947,691

Imdex1

400,666 232,504

MAG Silver1

74,050 965,612

**Major Drilling Group International1**

850,357 5,567,189

Olympic Steel

35,000 681,800

Pretium Resources1

80,000 768,661

Universal Stainless & Alloy Products1

15,300 298,350

Victoria Gold1

890,000 398,057

**ESTATE 4.1%** **12,687,761** **Total (Cost \$18,309,690)** **25,210,405** **REAL**  
EQUITY REAL ESTATE INVESTMENT TRUSTS (REITS) - 0.5%

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BRT Apartments1

230,331    **1,810,402**                      REAL ESTATE MANAGEMENT & DEVELOPMENT - 3.6%

Altus Group

87,000    1,880,483

Forestar Group1,3

44,000    754,600

**FRP Holdings1,3,4**

76,500    3,530,475

Griffin Industrial Realty

43,384    1,360,956

Hopefluent Group Holdings

1,400,000    478,773

Marcus & Millichap1,3,4

49,567    1,306,586

RMR Group Cl. A

37,100    1,804,915

Tejon Ranch1,3,4

115,162    2,376,944                      **13,493,732**    **Total (Cost \$12,345,792)**                      **15,304,134**

**TELECOMMUNICATION SERVICES**    **0.2%**                      **DIVERSIFIED TELECOMMUNICATION SERVICES - 0.2%**

ORBCOMM1

67,100    **758,230**    **Total (Cost \$570,215)**                      **758,230**                      **UTILITIES**    **0.4%**                      GAS UTILITIES - 0.1%

Shizuoka Gas

40,000    **266,015**                      INDEPENDENT POWER & RENEWABLE ELECTRICITY PRODUCER - 0.0%

Alterra Power

45,000    **197,447**                      WATER UTILITIES - 0.3%

Global Water Resources

106,000    1,049,400    **Total (Cost \$1,145,614)**    **1,512,862**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS 2017 Semiannual Report to Stockholders |

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## Royce Micro-Cap Trust June 30, 2017 (unaudited)

Schedule of Investments (continued)	VALUE	MISCELLANEOUS <sup>6</sup>	4.2%	Total
<b>(Cost \$15,862,541)</b>	<b>\$ 15,944,179</b>	<b>TOTAL COMMON STOCKS</b>	<b>(Cost \$340,041,529)</b>	
<b>397,918,625</b>	<b>REPURCHASE AGREEMENT 5.9%</b>			
6/30/17, due 7/3/17, maturity value		Fixed Income Clearing Corporation, 0.12% dated		
\$22,318,223 (collateralized by obligations of various U.S. Government Agencies, 2.375% due				
8/15/24, valued at \$22,766,474) <b>(Cost \$22,318,000)</b>	<b>22,318,000</b>	<b>TOTAL INVESTMENTS</b>	<b>111.4%</b>	
<b>(Cost \$362,359,529)</b>	<b>420,236,625</b>	<b>LIABILITIES LESS CASH AND OTHER ASSETS</b>	<b>(11.4)%</b>	
<b>(43,098,058 )</b>	<b>NET ASSETS 100.0%</b>	<b>\$ 377,138,567</b>		

New additions in 2017. 1 Non-income producing. 2

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.

3

All or a portion of these securities were pledged as collateral in connection with the Fund's revolving credit agreement at June 30, 2017. Total market value of pledged securities at June 30, 2017, was \$71,646,333.

4

At June 30, 2017, a portion of these securities were rehypothecated in connection with the Fund's revolving credit agreement in the aggregate amount of \$43,068,441.

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 2017 and less than 1% of net assets.

**Bold indicates the Fund's 20 largest equity holdings in terms of June 30, 2017, market value.**

**TAX INFORMATION:** The cost of total investments for Federal income tax purposes was \$363,939,812. At June 30, 2017, net unrealized appreciation for all securities was \$56,296,813, consisting of aggregate gross unrealized appreciation of \$107,251,959 and aggregate gross unrealized depreciation of \$50,955,146. The primary cause of the difference between book and tax basis cost is the timing of the recognition of losses on securities sold.





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<b>Royce Micro-Cap Trust</b>		June 30, 2017 (unaudited)	<b>Statement of Assets and Liabilities</b>	
<b>ASSETS:</b>				
Investments at value	\$ 397,918,625	Repurchase agreements (at cost and value)	22,318,000	Cash and foreign currency
238,591	Receivable for investments sold	2,073,915	Receivable for dividends and interest	201,909
Prepaid expenses and other assets	25,599	<b>Total Assets</b>	<b>422,776,639</b>	<b>LIABILITIES:</b>
45,000,000	Payable for investments purchased	384,641	Payable for investment advisory fee	148,907
Payable for directors fees	24,804	Payable for interest expense	5,622	Accrued expenses
				74,098
				<b>Total Liabilities</b>
				<b>45,638,072</b>
				<b>Net Assets \$ 377,138,567</b>
<b>ANALYSIS OF NET ASSETS:</b>				
Paid-in capital - \$0.001 par value per share;		38,409,192 shares outstanding (150,000,000 shares authorized)		
	\$ 322,651,287	Undistributed net investment income (loss)		(1,398,007 )
Accumulated net realized gain (loss) on investments and foreign currency		10,150,463	Net unrealized appreciation (depreciation) on investments and foreign currency	
	57,876,187	Quarterly distributions		(12,141,363 )
		<b>Net Assets (net asset value per share - \$9.82)</b>		<b>\$ 377,138,567</b>
		Investments at identified cost	\$ 340,041,529	

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS** 2017 Semiannual Report to Stockholders | 29

## Royce Micro-Cap Trust



**Statement of Changes in Net Assets**

<b>SIX MONTHS ENDED</b>	<b>6/30/17</b>	<b>(UNAUDITED)</b>	<b>YEAR ENDED 12/31/16</b>	<b>INVESTMENT</b>
OPERATIONS:	Net investment income (loss)	\$ 589,423	\$ 1,040,381	Net realized gain (loss) on investments and foreign currency
9,012,314	17,298,523			Net change in unrealized appreciation (depreciation) on investments and foreign currency
10,742,788	46,017,634			<b>Net increase (decrease) in net assets from investment operations</b>
<b>64,356,538</b>				<b>20,344,525</b>
DISTRIBUTIONS:	Net investment income	(485,655 ) <sup>1</sup>	(2,974,373 )	Net realized gain on investments and foreign currency
(10,927,226 ) <sup>1</sup>	(20,650,513 )			Return of capital
				<b>Total distributions</b>
<b>(12,141,363 )</b>	<b>(23,624,886 )</b>			Reinvestment of distributions
				5,234,652
CAPITAL STOCK TRANSACTIONS:	Total capital stock transactions	5,234,652	10,562,009	<b>Net Increase (Decrease) In Net Assets</b>
10,562,009				<b>13,437,814</b>
	51,293,661			<b>51,293,661</b>
NET ASSETS:	Beginning of period	363,700,753	312,407,092	End of period
(including undistributed net investment income (loss) of \$(1,398,007) at 6/30/17 and \$(1,987,430) at 12/31/16)				<b>\$</b>
<b>377,138,567</b>	<b>\$ 363,700,753</b>			

<sup>1</sup> Amounts are subject to change and recharacterization at year end.

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**Royce Micro-Cap Trust** Six Months Ended June 30, 2017 (unaudited)

**Statement of Operations**

<b>INVESTMENT INCOME:</b>	INCOME:	Dividends	\$ 2,218,874	Foreign withholding tax	(55,348 )	Interest	15,462
Rehypotheication income	28,765	<b>Total income</b>	<b>2,207,753</b>	EXPENSES:	Investment advisory fees	903,122	
Interest expense	471,847	Stockholder reports	64,884	Administrative and office facilities	44,726	Directors fees	
42,314	Custody and transfer agent fees	41,301	Professional fees	28,058	Other expenses	22,126	<b>Total</b>
<b>expenses</b>	<b>1,618,378</b>	Compensating balance credits	(48 )	<b>Net expenses</b>	<b>1,618,330</b>	<b>Net investment income (loss)</b>	
<b>589,423</b>	<b>REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY:</b>			<b>NET</b>			
REALIZED GAIN (LOSS):	Investments	9,003,885	Foreign currency transactions	8,429	NET CHANGE IN		
UNREALIZED APPRECIATION (DEPRECIATION):	Investments and foreign currency translations	10,742,220	Other assets and liabilities denominated in foreign currency	568	<b>Net realized and unrealized gain (loss) on investments and foreign currency</b>	<b>19,755,102</b>	<b>NET INCREASE (DECREASE) IN NET ASSETS FROM INVESTMENT OPERATIONS \$</b>
<b>20,344,525</b>							

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS** 2017 Semiannual Report to Stockholders | 31

**Royce Micro-Cap Trust** Six Months Ended June 30, 2017 (unaudited)

**Statement of Cash Flows**

CASH FLOWS FROM OPERATING ACTIVITIES: Net increase (decrease) in net assets from investment operations \$ 20,344,525 Adjustments to reconcile net increase (decrease) in net assets from investment operations to net cash provided by operating activities:

Purchases of long-term investments

(33,255,508 )

Proceeds from sales and maturities of long-term investments

18,367,371

Net purchases, sales and maturities of short-term investments

21,154,000

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

314,850

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

(26,041 )

Net change in unrealized appreciation (depreciation) on investments

(10,742,220 )

Net realized gain (loss) on investments and foreign currency

(9,012,314 ) **Net cash provided by operating activities** **7,144,663** CASH FLOWS FROM FINANCING ACTIVITIES:  
 Net increase (decrease) in revolving credit agreement Distributions (12,141,363 ) Reinvestment of distributions  
 5,234,652 **Net cash used for financing activities** **(6,906,711 )** **INCREASE (DECREASE) IN CASH: 237,952** **Cash**  
**and foreign currency at beginning of period 639** **Cash and foreign currency at end of period \$ 238,591**  
 32 | 2017 Semiannual 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.

SIX MONTHS		YEARS ENDED		ENDED 6/30/17			(UNAUDITED)			
12/31/14	12/31/13	12/31/12	12/31/11	12/31/10	6/30/17	6/30/16	12/31/16	12/31/15	12/31/14	
<b>Net Asset Value, Beginning of Period</b>			<b>\$ 9.63</b>	<b>\$ 8.59</b>	<b>\$ 11.33</b>	<b>\$ 14.12</b>	<b>\$ 10.93</b>	<b>\$ 9.86</b>		
INVESTMENT OPERATIONS:										
				Net investment income (loss)						
0.01	0.15	Net realized and unrealized gain (loss) on investments and								
foreign currency		0.51	1.70	(1.42)	0.25	4.64	1.58	<b>Total investment operations</b>	<b>0.53</b>	
<b>0.24</b>	<b>4.65</b>	<b>1.73</b>	DISTRIBUTIONS TO PREFERRED STOCKHOLDERS:						<b>1.73</b>	<b>(1.39)</b>
income				(0.02 ) Net realized gain on investments and foreign currency						
(0.09 ) <b>Total distributions to Preferred Stockholders</b>			<b>(0.11 ) Net Increase (Decrease) in</b>							
<b>Net Assets Applicable to Common Stockholders from</b>										

### Investment Operations

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<b>0.53</b>	<b>1.73</b>	<b>(1.39)</b>	<b>0.24</b>	<b>4.65</b>	<b>1.62</b>	DISTRIBUTIONS TO COMMON STOCKHOLDERS:											
Net investment income	(0.01)	1	(0.08)	(0.01)	(0.04)	(0.03)	(0.08)	Net realized gain on investments and foreign currency			(0.29)						
	1	(0.56)	(1.25)	(2.86)	(1.35)	(0.43)	Return of capital					(0.02)					
<b>Total distributions to Common Stockholders (0.32) (0.64) (1.26) (2.90) (1.38) (0.51)</b>																	
STOCK TRANSACTIONS:																	
											Effect of reinvestment of distributions by Common Stockholders	(0.02)					
(0.05)	(0.09)	(0.13)	(0.08)	(0.04)	<b>Total capital stock transactions</b>					<b>(0.02)</b>	<b>(0.05)</b>	<b>(0.09)</b>	<b>(0.13)</b>				
<b>(0.08)</b>	<b>(0.04)</b>	<b>Net Asset Value, End of Period</b>		<b>\$ 9.82</b>	<b>\$ 9.63</b>	<b>\$ 8.59</b>	<b>\$ 11.33</b>	<b>\$ 14.12</b>	<b>\$ 10.93</b>	<b>Market Value, End of Period</b>			<b>\$ 8.65</b>				
		<b>\$ 8.16</b>	<b>\$ 7.26</b>	<b>\$ 10.08</b>	<b>\$ 12.61</b>	<b>\$ 9.45</b>	TOTAL RETURN: <sup>2</sup>					Net					
Asset Value	5.93 % <sup>3</sup>	21.98 %	(11.64) %	3.46 %	44.66 %	17.23 %	Market Value	10.12 % <sup>3</sup>	22.30 %	(16.06) %	3.06 %	49.42 %	13.95 %				
RATIOS BASED ON AVERAGE NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS:																	
											Investment advisory fee expense <sup>4</sup>	0.50 % <sup>5</sup>	0.87 %	0.93 %	0.93 %	0.82 %	1.12 %
Other operating expenses		0.39 % <sup>5</sup>	0.39 %	0.35 %	0.25 %	0.29 %	0.18 %	Total expenses (net) <sup>6</sup>		0.89 % <sup>5</sup>	1.26 %	1.28 %	1.18 %				
											Expenses net of fee waivers and excluding interest expense	0.63 % <sup>5</sup>	1.02 %	1.08 %	1.05 %	0.96 %	1.27 %
											Expenses prior to fee waivers and balance credits	0.89 % <sup>5</sup>	1.26 %	1.28 %	1.18 %	1.11 %	1.32 %
											Expenses prior to fee waivers	0.89 % <sup>5</sup>	1.26 %	1.28 %	1.18 %	1.11 %	1.32 %
Net investment income (loss)		0.32 % <sup>5</sup>	0.32 %	0.26 %	(0.09) %	0.08 %	1.46 %		SUPPLEMENTAL DATA:								
Net Assets Applicable to Common Stockholders,																	
End of Period (in thousands)	\$ 377,139	\$ 363,701	\$ 312,407	\$ 387,488	\$ 433,121	\$ 318,545	Portfolio Turnover Rate										
	5 %	26 %	39 %	41 %	29 %	28 %	REVOLVING CREDIT AGREEMENT:										
Asset coverage	938 %	908 %	794 %	746 %	1062 %	808 %	Asset coverage per \$1,000		\$ 9,381	\$ 9,082	\$ 7,942	\$ 7,458	\$ 10,625	\$ 8,079			

1 Amounts are subject to change and recharacterization at year end. 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 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. 5 Annualized 6 Expense ratio based on total average net assets including liquidation value of Preferred Stock was 1.10% for the year ended December 31, 2012.

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS** 2017 Semiannual Report to Stockholders |

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## Royce Micro-Cap Trust

### Notes to Financial Statements (unaudited)

#### 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

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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 June 30, 2017. For a detailed breakout of common stocks by sector classification, please refer to the Schedule of Investments.

<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>LEVEL 3</b>	<b>TOTAL</b>	Common Stocks	\$387,032,029	\$10,644,734	\$241,862	<b>\$397,918,625</b>	Cash
Equivalents	22,318,000		<b>22,318,000</b>						

Certain securities have transferred in and out of Level 1 and Level 2 measurements during the reporting period. The Fund recognizes transfers between levels as of the end of the reporting period. For the six months ended June 30, 2017, securities valued at \$2,043,671 were transferred from Level 1 to Level 2 and securities valued at \$19,504,834 were transferred from Level 2 to Level 1 within the fair value hierarchy.

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# Royce Micro-Cap Trust

## Notes to Financial Statements (unaudited) (continued)

### VALUATION OF INVESTMENTS (continued):

#### Level 3 Reconciliation:

##### BALANCE AS OF 12/31/16 PURCHASES REALIZED AND UNREALIZED

**GAIN (LOSS)**<sup>1</sup> **BALANCE AS OF 6/30/17** Common Stocks \$241,862 \$0 \$ \$241,862 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.

The following table summarizes the valuation techniques used and unobservable inputs approved by the Valuation Committee to determine the fair value of certain, material Level 3 investments. The table does not include Level 3 investments with values derived utilizing prices from prior transactions or third party pricing information with adjustments (e.g. broker quotes, pricing services, net asset values).

#### FAIR VALUE AT

##### 6/30/17 VALUATION TECHNIQUE(S) UNOBSERVABLE INPUT(S) RANGE AVERAGE IMPACT TO VALUATION FROM

**AN INCREASE IN INPUT**<sup>1</sup> Common Stocks \$241,862 Discounted Present Value

Balance Sheet Analysis Liquidity Discount 30%-40% Decrease 1

This column represents the directional change in the fair value of the Level 3 investments that would result in an increase from the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these unobservable inputs in isolation could result in significantly higher or lower fair value measurements.

#### 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. The remaining contractual maturity of the repurchase agreement held by the Fund at June 30, 2017 is overnight and continuous.

#### 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



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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.

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## Royce Micro-Cap Trust

### Notes to Financial Statements (unaudited) (continued)

#### 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. Premiums 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 ( 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 628,862 and 1,405,544 shares of Common Stock as reinvestment of distributions for the six months ended June 30, 2017 and the year ended December 31, 2016, respectively.

#### Borrowings:

The Fund is party to a revolving credit agreement (the credit agreement) with BNP Paribas Prime Brokerage International, Limited (BNPPI). 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 or as otherwise required by applicable regulatory standards and has granted a security interest in the securities pledged to, and in favor of, BNPPI 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 which may necessitate the sale of portfolio securities at potentially inopportune times. BNPPI may terminate the credit agreement upon certain ratings downgrades of its corporate parent, which would result in the Fund's entire loan balance becoming immediately due and payable. The occurrence of such ratings downgrades may necessitate the sale of portfolio securities at potentially inopportune times. The credit agreement also permits, subject to certain conditions, BNPPI 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 BNPPI on demand. If BNPPI fails to deliver the recalled security in a timely manner, the Fund is compensated by BNPPI for any fees or losses related to the failed delivery or, in the event a recalled security is not returned by BNPPI, the Fund, upon notice to BNPPI, may reduce the loan balance outstanding by the value of the recalled security failed to be returned. The Fund receives a portion of the fees earned by BNPPI in connection with the rehypothecation of portfolio securities.

As of June 30, 2017, the Fund has outstanding borrowings of \$45,000,000. During the six months ended June 30, 2017, the Fund borrowed an average daily balance of \$45,000,000 at a weighted average borrowing cost of 2.09%. The maximum amount outstanding during the six months ended June 30, 2017 was \$45,000,000. As of June 30, 2017, the aggregate value of rehypothecated securities was \$43,068,441. During the six months ended June 30, 2017, the Fund earned \$28,765 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.

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## Royce Micro-Cap Trust

### Notes to Financial Statements (unaudited) (continued)

#### Investment Advisory Agreement (continued):

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 through October 31, 2015, 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 six rolling 36-month periods ended June 2017, the Fund's investment performance ranged from 13% to 15% below the investment performance of the Russell 2000. Accordingly, the net investment advisory fee consisted of a Basic Fee of \$1,806,242 and a net downward adjustment of \$903,120 for the performance of the Fund relative to that of the Russell 2000. For the six months ended June 30, 2017, the Fund expensed Royce investment advisory fees totaling \$903,122.

#### Purchases and Sales of Investment Securities:

For the six months ended June 30, 2017, the costs of purchases and proceeds from sales of investment securities, other than short-term securities, amounted to \$33,365,684 and \$20,263,468, respectively.

Cross trades were executed by the Fund pursuant to Rule 17a-7 under the 1940 Act. Cross trading is the buying or selling of portfolio securities between funds to which Royce serves as investment adviser. At its regularly scheduled quarterly meetings, the Board reviews such transactions as of the most recent calendar quarter for compliance with the requirements and restrictions set forth by Rule 17a-7. Cross trades for the six months ended June 30, 2017, were as follows:

<b>COST OF PURCHASES</b>	<b>PROCEEDS FROM SALES</b>	<b>REALIZED GAIN (LOSS)</b>	\$1,007,283	\$	\$
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## MANAGER'S DISCUSSION Royce Value Trust (RVT)

### Chuck Royce

**FUND PERFORMANCE** We were very pleased with Royce Value Trust's (RVT) first-half results. Strong on both an absolute and relative basis, performance was all the more impressive in a semiannual period that saw value underperform growth and was thus not entirely conducive to the Fund's multiple investment theme approach. **RVT advanced 7.3% on a net asset value (NAV) basis and 13.1% on a market price basis for the year-to-date period ended June 30, 2017, in both cases outperforming its unleveraged small-cap benchmarks, the Russell**

**2000 and S&P SmallCap 600 Indexes, which had respective increases of 5.0% and 2.8% for the same period.** For the first quarter, RVT gained 3.8% based on NAV and 6.5% on market price, outpacing the Russell 2000, which was up 2.5%, and the S&P SmallCap 600, which rose 1.0%, for the same period. The Fund's relative advantage extended to the second quarter, when it climbed 3.4% on an NAV basis and 6.2% on a market price basis versus 2.5% for the Russell 2000 and 1.7% for the S&P SmallCap 600. RVT beat both of its benchmarks on an NAV basis for the one-, 30-year, and since inception (11/26/86) periods ended June 30, 2017. The Fund added advantages over the Russell 2000 for the 20- and 25-year periods ended June 30, 2017 based on both NAV and market price. **RVT's average annual NAV total return for the since inception period was 10.6%, all under the management of Chuck Royce.** **WHAT WORKED... AND WHAT DIDN'T**

Seven of the Fund's 11 equity sectors finished the first half in the black, two were essentially flat, and two more detracted from performance. Information Technology and Industrials made the biggest positive impacts. At the industry level, a group from each sector dominated returns in a similar fashion—the electronic equipment, instruments & components group (Information Technology) and machinery stocks (Industrials). The Fund's two top contributors at the position level were holdovers from 2016's top performers. Laser diode and equipment maker Coherent took the top spot, as it did in 2016, galvanized by ongoing sales and earnings growth driven by vibrant demand for ramped up OLED (organic light-emitting diode) capacity. Cognex Corporation is the market leader in machine vision technology, which captures and analyzes visual information to automate tasks that previously relied on human eyesight and is thus a major driver of industrial and process automation. The trend toward automation continues to drive broad order strength for its machine vision systems. Cognex also supplemented its robust technology portfolio with three small acquisitions that should enhance its capabilities in emerging areas such as 3D and adaptive learning. Another top contributor, The Advisory Board specializes in performance improvement software and solutions to the healthcare and higher education industries. Among 2016's top detractors, it rebounded soundly in the first half as an activist investor disclosed a large equity stake, which encouraged other investors.

Of the two portfolio sectors that detracted from first-half performance, only Energy had a significant negative impact. Net losses for Consumer Discretionary were modest, a pattern that was mirrored at the industry level. The energy equipment & services group (Energy) was by far the portfolio's biggest detractor, followed by an appreciably lower negative impact for specialty retail (Consumer Discretionary), which continued to struggle with secular shifts in consumer spending and behavior. The top detractor at the position level was Era Group, which provides helicopter transportation services and personnel primarily to and from offshore oil drilling rigs and platforms. The cratering price of oil created challenges for its business that were reflected in disappointing earnings. Liking the long-term prospects for its niche business, we held shares at the end of June. Toronto-based Dundee Corporation, which is involved in wealth management, real estate, and natural resources, experienced losses in mining- and resource-based activities that put downward pressure on its shares.

Relative to the Russell 2000, RVT benefited most from savvy stock picking in three sectors—Financials, where capital markets stood out, Industrials, where machinery and professional services provided a sizable relative edge, and Information Technology, where electronic equipment, instruments & components outperformed. Conversely, poor stock selection in specialty retail and an overweight in distributors created a disadvantage in Consumer Discretionary while our underweights in biotechnology (Health Care) and, to a lesser extent, Utilities also hurt relative results.

**Top Contributors to Performance** Year-to-Date Through 6/30/17 (%)<sup>1</sup>

Coherent	0.76	Cognex Corporation	0.34
Advisory Board (The)	0.28	MarketAxess Holdings	0.27
Community Health Systems	0.25	<sup>1</sup> Includes dividends	

**Top Detractors from Performance** Year-to-Date Through 6/30/17 (%)<sup>2</sup>

Era Group	-0.30	Dundee Corporation Cl. A	-0.18
Wesco Aircraft Holdings	-0.18	Monro Muffler Brake	-0.17
Core-Mark Holding Company	-0.17	<sup>2</sup> Net of dividends	

**CURRENT POSITIONING AND OUTLOOK** We think that RVT's portfolio remains well-positioned to benefit from a cyclical upswing, with more than 70% of its net assets invested in Industrials, Information Technology, Financials, and Materials at the end of June. So while a correction would not be surprising, we are optimistic that the expanding rate of global growth can help small-cap companies, especially those with growing earnings, to excel. The message that we receive from the companies we speak to each day remains positive. With order books continuing to fill up, the management teams remain confident about their business, which in turn gives us confidence in the long-term prospects for RVT's multi-themed core approach.

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

### Performance

Average Annual Total Return (%) Through 6/30/17	<b>JAN-JUN 2017</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>30-YR</b>
<b>SINCE INCEPTION (11/26/86)</b>	RVT (NAV)	7.29	25.76	6.95	13.38	5.56	8.77	9.52	10.81
							10.47	10.63	<sup>1</sup> Not Annualized

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

Cumulative Performance of Investment through 6/30/17 1-YR 5-YR 10-YR 15-YR 20-YR SINCE INCEPTION (11/26/86) RVT  
 33.8% 92.2% 55.2% 215.6% 549.8% 1746.1%

- 1  
 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.
- 2  
 Reflects the actual month-end market price movement of one share as it has traded on the NYSE.

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 61 for additional information.

**Top 10 Positions** % of Net Assets Coherent 1.7 HEICO Corporation 1.4 Cognex Corporation 1.3 Quaker Chemical 1.2 E-L Financial 1.0 Copart 1.0 Ash Grove Cement Cl. B 1.0 Nautilus 1.0 ManpowerGroup 0.9 RBC Bearings 0.9

**Portfolio Sector Breakdown** % of Net Assets Industrials 30.6 Information Technology 17.9 Financials 14.9 Consumer Discretionary 11.0 Materials 7.5 Health Care 5.7 Energy 4.1 Real Estate 3.0 Consumer Staples 2.2 Telecommunication Services 0.6 Utilities 0.1 Miscellaneous 2.2 Cash and Cash Equivalents, Net of Outstanding Line of Credit 0.2

**Calendar Year Total Returns (%)** YEAR RVT 2016 26.8 2015 -8.1 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

**Portfolio Diagnostics** Fund Net Assets \$1,361 million Number of Holdings 448 Turnover Rate 8% Net Asset Value \$16.37 Market Price \$14.59 Average Market Capitalization<sup>1</sup> \$1,590 million Weighted Average P/E Ratio<sup>2,3</sup> 21.3x Weighted Average P/B Ratio<sup>2</sup> 2.2x Active Share<sup>4</sup> 89% U.S. Investments (% of Net Assets) 82.3% Non-U.S. Investments (% of Net Assets) 17.5% <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.

**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 (16% of portfolio holdings as of 6/30/17).

<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, net of the Fund's investment advisory fee, 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 Value Trust at 12/31/16 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 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 above, the sum of all contributors to, and all detractors from, performance for all securities in the portfolio would approximate the Fund's year-to-date performance for 2017.

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## Royce Value Trust

Schedule of Investments	Common Stocks	99.8%	SHARES	VALUE	CONSUMER
<b>DISCRETIONARY 11.0%</b>	AUTO COMPONENTS - 1.4%				
Cooper Tire & Rubber					
86,700	\$ 3,129,870				
Gentex Corporation					
222,170	4,214,565				
LCI Industries					
74,016	7,579,238				
Sebang Global Battery					
28,500	990,146				
Standard Motor Products					
50,391	2,631,418	<b>18,545,237</b>			AUTOMOBILES - 0.7%
Thor Industries <sup>1</sup>					
91,310	<b>9,543,721</b>	DISTRIBUTORS - 0.8%			
Core-Mark Holding Company					
220,900	7,302,954				
Fenix Parts <sup>2,3</sup>					
255,000	107,355				
Uni-Select					
30,200	729,383				
Weyco Group					
97,992	2,732,017	<b>10,871,709</b>			DIVERSIFIED CONSUMER SERVICES - 0.8%
Adtalem Global Education <sup>3</sup>					
52,054	1,975,449				

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American Public Education<sup>3</sup>

42,400 1,002,760

Cambium Learning Group<sup>3</sup>

100,000 507,000

Collectors Universe

50,000 1,242,500

H&R Block

8,000 247,280

Liberty Tax Cl. A

151,573 1,962,871

Lincoln Educational Services<sup>3</sup>

330,600 1,024,860

Regis Corporation<sup>3</sup>

40,000 410,800

Universal Technical Institute<sup>3</sup>

504,032 1,799,394

**10,172,914**

HOTELS, RESTAURANTS & LEISURE - 0.4%

Biglari Holdings<sup>3</sup>

1,500 599,610

Century Casinos<sup>3</sup>

222,360 1,638,793

Lindblad Expeditions Holdings<sup>3</sup>

207,600 2,179,800

Rank Group

400,000 1,235,764

Zoe's Kitchen<sup>3</sup>

15,000 178,650

**5,832,617**

HOUSEHOLD DURABLES - 2.3%

AV Homes<sup>3</sup>



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66,100	1,325,305		
Cavco Industries <sup>3</sup>			
14,700	1,905,855		
Ethan Allen Interiors			
231,000	7,461,300		
Flexsteel Industries			
13,900	752,129		
Mohawk Industries <sup>1,3,4</sup>			
22,400	5,413,856		
Natuzzi ADR <sup>3</sup>			
2,096,300	5,555,195		
PICO Holdings <sup>3</sup>			
409,400	7,164,500		
Samson Holding			
2,500,000	204,932		
Stanley Furniture <sup>5</sup>			
912,235	1,030,826	<b>30,813,898</b>	INTERNET & DIRECT MARKETING RETAIL - 0.5%
CafePress <sup>3</sup>			
110,000	284,900		
FTD Companies <sup>3</sup>			
298,014	5,960,280	<b>6,245,180</b>	LEISURE PRODUCTS - 1.1%
Character Group			
91,500	575,015		
MCBC Holdings <sup>3</sup>			
84,500	1,651,975		
<b>Nautilus<sup>3</sup></b>			
677,500	12,974,125	<b>15,201,115</b>	MEDIA - 0.4%

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E.W. Scripps Company Cl. A1,3,4

64,460 1,148,033

Entravision Communications Cl. A

108,200 714,120

Global Eagle Entertainment<sup>3</sup>

110,000 391,600

Gray Television<sup>3</sup>

50,000 685,000

New Media Investment Group

60,100 810,148

Pico Far East Holdings

3,484,400 1,459,374

T4F Entretenimento

150,000 278,457

Technicolor

120,000 523,287 **6,010,019** MULTILINE RETAIL - 0.0%

New World Department Store China<sup>3</sup>

1,447,500 **357,822** SPECIALTY RETAIL - 1.3%

AutoCanada

78,800 1,159,396

Barnes & Noble

47,000 357,200

Barnes & Noble Education<sup>3</sup>

20,000 212,600

Buckle (The)<sup>1</sup>

36,115 642,847

Byggmax Group

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70,000	508,920		
Caleres 1			
132,300	3,675,294		
Container Store Group (The)1,3,4			
158,200	936,544		
Destination Maternity3			
557,967	1,807,813		
Haverty Furniture			
23,700	594,870		
I.T			
827,000	407,809		
Monro Muffler Brake			
111,500	4,655,125		
Oriental Watch Holdings			
967,900	210,751		
Topps Tiles			
750,000	805,891		
TravelCenters of America LLC3			
92,500	379,250		
West Marine			
131,100	1,684,635	<b>18,038,945</b>	TEXTILES, APPAREL & LUXURY GOODS - 1.3%
Crown Crafts			
97,741	674,413		
Culp			
29,400	955,500		
Deckers Outdoor3			
14,920	1,018,439		

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J.G. Boswell Company2

3,940 2,588,580

Movado Group

67,261 1,698,341

Wolverine World Wide

360,200 10,089,202

YGM Trading

1,082,600	1,006,689	<b>18,031,164</b>	<b>Total (Cost \$130,786,940)</b>	<b>149,664,341</b>	<b>CONSUMER</b>
<b>STAPLES</b>	<b>2.2%</b>	BEVERAGES - 0.2%			

Compania Cervecerias Unidas ADR1

99,500 **2,610,880** FOOD & STAPLES RETAILING - 0.0%

Conviviality

90,000 **361,039** FOOD PRODUCTS - 1.8%

AGT Food and Ingredients

9,000 161,567

Cal-Maine Foods3

84,316 3,338,913

Farmer Bros.3

54,700 1,654,675

Hilton Food Group

75,000 720,906

Industrias Bachoco ADR

43,495 2,521,840

John B. Sanfilippo & Son

17,200 1,085,492

Lancaster Colony

8,200 1,005,484

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Sanderson Farms

15,000 1,734,750

Seneca Foods Cl. A3

147,605 4,583,135

Seneca Foods Cl. B3

13,840 498,240

SunOpta 1,3,4

187,459 1,912,082

Tootsie Roll Industries1

155,308 5,412,484

**24,629,568**

HOUSEHOLD PRODUCTS - 0.0%

Central Garden & Pet3

10,300 **327,437**

PERSONAL PRODUCTS - 0.2%

Inter Parfums



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150,469	5,161,087			
TGS-NOPEC Geophysical				
425,870	8,727,816			
Trican Well Service3				
944,000	2,642,443	<b>41,704,102</b>		OIL, GAS & CONSUMABLE FUELS - 1.0%
Ardmore Shipping				
61,600	502,040			
Dorchester Minerals L.P.				
177,172	2,560,135			
Dorian LPG3				
184,034	1,505,398			
Green Plains				
50,000	1,027,500			
Hallador Energy				
21,000	163,170			
Hargreaves Services				
57,683	252,998			
New Zealand Refining				
310,000	554,290			
San Juan Basin Royalty Trust				
320,352	2,181,597			
World Fuel Services				
110,800	4,260,260			
WPX Energy3				
110,000	1,062,600	<b>14,069,988</b>	<b>Total (Cost \$69,549,196)</b>	<b>55,774,090 FINANCIALS 14.9%</b>
	BANKS - 2.4%			
Banca Sistema				

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200,000	539,095		
Bank of N.T. Butterfield & Son			
178,416	6,083,986		
Blue Hills Bancorp			
54,080	968,032		
Canadian Western Bank			
279,500	5,901,226		
Farmers & Merchants Bank of Long Beach <sup>2</sup>			
1,080	8,262,000		
Fauquier Bankshares			
160,800	3,095,400		
First Citizens BancShares Cl. A			
14,676	5,469,745		
Webster Financial			
40,300	2,104,466	<b>32,423,950</b>	CAPITAL MARKETS - 8.0%
Ares Management L.P.			
366,300	6,593,400		
Artisan Partners Asset Management Cl. A			
270,500	8,304,350		
ASA Gold and Precious Metals			
199,821	2,335,908		
Ashmore Group			
1,354,000	6,228,741		
Associated Capital Group Cl. A1			
20,200	686,800		
Citadel Capital <sup>3</sup>			
8,549,921	377,480		



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Cowen Group3

62,706 1,018,973

Dundee Corporation Cl. A3

1,079,900 2,373,315

Edmond de Rothschild (Suisse)

153 2,608,770

Federated Investors Cl. B

108,640 3,069,080

Gluskin Sheff + Associates

57,600 743,985

Houlihan Lokey Cl. A

91,100 3,179,390

Jupiter Fund Management

230,000 1,512,795

KKR & Co. L.P.

24,100 448,260

Lazard Cl. A

99,535 4,611,457

Manning & Napier Cl. A

395,692 1,721,260

**MarketAxess Holdings**

56,600 11,382,260

Medley Management Cl. A1,4

109,500 711,750

Morningstar

84,600 6,627,564

mutares

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39,266	609,031		
MVC Capital			
324,200	3,196,612		
Oaktree Capital Group LLC Cl. A			
101,100	4,711,260		
Rothschild & Co			
216,893	7,917,268		
SEI Investments			
185,600	9,981,568		
Sprott			
1,927,000	3,388,001		
TMX Group			
40,700	2,214,522		
U.S. Global Investors Cl. A			
520,551	796,443		
Value Partners Group			
5,453,000	4,965,876		
Virtu Financial Cl. A			
101,200	1,786,180		
Virtus Investment Partners			
3,930	436,034		
Westwood Holdings Group			
49,073	2,781,948		
ZAIS Group Holdings Cl. A1,3,4			
492,300	1,147,059	<b>108,467,340</b>	CONSUMER FINANCE - 0.1%
Bajaj Finance			
55,000	1,168,752		

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Currency Exchange International<sup>3</sup>

30,000	608,421	<b>1,777,173</b>	DIVERSIFIED FINANCIAL SERVICES - 0.1%
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First Pacific

1,020,000	752,512		
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Waterloo Investment Holdings<sup>3,6</sup>

2,973,544	892,063	<b>1,644,575</b>	INSURANCE - 2.7%
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Alleghany Corporation<sup>3</sup>

709	421,713		
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Atlas Financial Holdings<sup>3</sup>

48,900	728,610		
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**E-L Financial**

21,500	14,009,485		
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Erie Indemnity Cl. A

25,000	3,126,750		
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Independence Holding Company

314,523	6,431,995		
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MBIA <sup>3</sup>

942,400	8,886,832		
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ProAssurance Corporation

17,139	1,042,051		
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RLI Corp.

46,300	2,528,906		
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WMIH <sup>3</sup>

77,742	97,178	<b>37,273,520</b>	INVESTMENT COMPANIES - 0.2%
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RIT Capital Partners

130,500	<b>3,231,124</b>		THRIFTS & MORTGAGE FINANCE - 1.4%
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BofI Holding<sup>1,3,4</sup>

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16,300	386,636				
Genworth MI Canada					
239,395	6,586,685				
<b>Timberland Bancorp5</b>					
444,200	11,224,934				
Vestin Realty Mortgage II2,3					
53	117,130	<b>18,315,385</b>	<b>Total (Cost \$173,007,388)</b>	<b>203,133,067</b>	<b>HEALTH CARE 5.7%</b>
	BIOTECHNOLOGY - 1.1%				
Keryx Biopharmaceuticals1,3,4					
139,000	1,004,970				
Novavax 1,3,4					
550,000	632,500				
Sangamo Therapeutics3					
469,315	4,129,972				
Zealand Pharma3					
479,607	9,613,725	<b>15,381,167</b>			HEALTH CARE EQUIPMENT & SUPPLIES - 2.0%
Analogic Corporation					
53,735	3,903,848				
Atrion Corporation					
15,750	10,131,975				
Cerus Corporation3					
108,000	271,080				
Hill-Rom Holdings					
5,000	398,050				
Integer Holdings3					

42,400 1,833,800

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## Royce Value Trust

Schedule of Investments (continued)	SHARES	VALUE	HEALTH CARE (continued)
HEALTH CARE EQUIPMENT & SUPPLIES (continued)			
Invacare Corporation			
38,900	\$	513,480	
Masimo Corporation <sup>3</sup>			
50,000		4,559,000	
Neogen Corporation <sup>3</sup>			
16,800		1,161,048	
Surmodics <sup>3</sup>			
138,500	3,898,775	<b>26,671,056</b>	HEALTH CARE PROVIDERS & SERVICES - 1.0%
Aceto Corporation			
18,800		290,460	
AMN Healthcare Services <sup>3</sup>			
74,300		2,901,415	
Community Health Systems <sup>3</sup>			
790,000		7,868,400	
Landauer			
50,000		2,615,000	<b>13,675,275</b> HEALTH CARE TECHNOLOGY - 0.6%
athenahealth <sup>1,3,4</sup>			
32,500		4,567,875	
Cegedim <sup>3</sup>			
10,000		347,213	
Medidata Solutions <sup>3</sup>			

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50,000	3,910,000	<b>8,825,088</b>		LIFE SCIENCES TOOLS & SERVICES - 0.9%		
Bio-Rad Laboratories Cl. A3						
26,998	6,109,917					
Bio-Techne						
46,243	5,433,553					
Dyadic International2,3						
75,000	101,250	<b>11,644,720</b>		PHARMACEUTICALS - 0.1%		
Intra-Cellular Therapies3						
30,000	372,600					
Theravance Biopharma3						
34,291	1,366,153	<b>1,738,753</b>	<b>Total (Cost \$49,830,571)</b>	<b>77,936,059</b>	<b>INDUSTRIALS</b>	<b>30.6%</b>
	AEROSPACE & DEFENSE - 2.7%					
Austal						
688,670	968,640					
Ducommun 3						
117,200	3,701,176					
<b>HEICO Corporation</b>						
175,422	12,602,316					
<b>HEICO Corporation Cl. A</b>						
101,010	6,267,671					
Magellan Aerospace						
182,779	2,852,751					
Mercury Systems3						
25,400	1,069,086					
Teledyne Technologies3						
20,600	2,629,590					
Wesco Aircraft Holdings3						

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588,000	6,379,800	<b>36,471,030</b>	AIR FREIGHT & LOGISTICS - 1.8%
Expeditors International of Washington			
158,900	8,974,672		
Forward Air			
179,750	9,577,080		
Hub Group Cl. A1,3			
149,400	5,729,490	<b>24,281,242</b>	BUILDING PRODUCTS - 0.6%
American Woodmark3			
17,100	1,633,905		
Apogee Enterprises1			
48,700	2,768,108		
Burnham Holdings Cl. B2			
36,000	545,400		
DIRTT Environmental Solutions3			
65,000	343,345		
Epwin Group			
70,000	100,289		
Insteel Industries1			
79,380	2,617,159		
Patrick Industries3			
9,850	717,572	<b>8,725,778</b>	COMMERCIAL SERVICES & SUPPLIES - 2.7%
Atento 3			
271,200	3,023,880		
CECO Environmental			
99,028	909,077		
CompX International Cl. A			
211,100	3,219,275		

**Copart3**

439,920 13,985,057

Heritage-Crystal Clean3

152,527 2,425,179

Kimball International Cl. B

286,180 4,776,344

Mobile Mini

105,000 3,134,250

Steelcase Cl. A

256,260 3,587,640

UniFirst Corporation

13,370 1,881,159

**36,941,861**

CONSTRUCTION & ENGINEERING - 3.5%

Aecon Group

34,500 429,388

Ameresco Cl. A3

55,000 423,500

Comfort Systems USA

48,100 1,784,510

EMCOR Group1

121,300 7,930,594

**IES Holdings3**

594,244 10,785,528

Jacobs Engineering Group

164,900 8,968,911

KBR

326,000 4,961,720

Northwest Pipe3



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20,000	325,200		
NV5 Global3			
23,500	998,750		
Sterling Construction1,3			
122,300	1,598,461		
Valmont Industries1			
65,145	9,745,692	<b>47,952,254</b>	ELECTRICAL EQUIPMENT - 0.7%
Global Power Equipment Group2,3			
631,820	2,021,824		
Powell Industries			
94,500	3,023,055		
Preformed Line Products			
91,600	4,252,072	<b>9,296,951</b>	INDUSTRIAL CONGLOMERATES - 0.6%
A. Soriano			
2,791,000	348,460		
Raven Industries			
251,725	8,382,443	<b>8,730,903</b>	MACHINERY - 11.2%
Chen Hsong Holdings			
1,159,000	317,679		
China Metal International Holdings			
554,524	206,683		
CIRCOR International			
101,384	6,020,182		
Colfax Corporation3			
77,242	3,041,017		
Deutz			
115,000	969,736		

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Donaldson Company

193,559 8,814,677

Exco Technologies

205,700 1,694,075

Franklin Electric

104,600 4,330,440

Graco

89,276 9,756,081

Greenbrier Companies (The)

46,800 2,164,500

Hurco Companies

25,952 901,832

Hyster-Yale Materials Handling Cl. A

10,000 702,500

IDEX Corporation

67,400 7,616,874

John Bean Technologies

68,626 6,725,348

Kadant

42,200 3,173,440

Kennametal

160,100 5,990,942

Lincoln Electric Holdings

61,360 5,650,642

Lindsay Corporation1

80,000 7,140,000

Luxfer Holdings ADR

28,100 359,399

Lydall 1,3

55,480 2,868,316

NN

308,700 8,473,815

Nordson Corporation

24,296 2,947,591

Proto Labs3

10,000 672,500

**RBC Bearings3**

123,700 12,587,712

Sarine Technologies

327,500 366,334

**Sun Hydraulics**

286,318 12,217,189

Supreme Industries Cl. A1

141,300 2,324,385

Tennant Company

111,900 8,258,220

Titan International

173,100 2,078,931

Wabash National

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43,600 958,328

42 | 2017 Semiannual Report to Stockholders **THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS**

June 30, 2017 (unaudited)

**Schedule of Investments (continued)**

**SHARES VALUE**

**INDUSTRIALS (continued)**

MACHINERY (continued)

Watts Water Technologies Cl. A

61,000 \$ 3,855,200

Westinghouse Air Brake Technologies

90,570 8,287,155

Westport Fuel Systems<sup>1,3</sup>

327,100 768,685

**Woodward**

154,600 10,447,868 **152,688,276** MARINE - 1.4%

Clarkson

291,000 9,573,864

Kirby Corporation<sup>3</sup>

144,500 9,659,825 **19,233,689** PROFESSIONAL SERVICES - 3.0%

**Advisory Board (The)<sup>1,3,4</sup>**

209,377 10,782,915

Franklin Covey<sup>3</sup>

40,800 787,440

Heidrick & Struggles International

66,480 1,445,940

ICF International<sup>3</sup>

6,336 298,426

**ManpowerGroup**

112,858 12,600,596

On Assignment<sup>1,3,4</sup>

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179,295	9,708,824		
Quess Corporation <sup>3</sup>			
15,720	223,515		
Robert Half International			
44,032	2,110,454		
TrueBlue <sup>3</sup>			
75,820	2,009,230		
Volt Information Sciences <sup>3</sup>			
75,000	296,250	<b>40,263,590</b>	ROAD & RAIL - 1.8%
Genesee & Wyoming Cl. A <sup>3</sup>			
15,000	1,025,850		
Knight Transportation <sup>1,4</sup>			
122,400	4,534,920		
<b>Landstar System</b>			
142,460	12,194,576		
Patriot Transportation Holding <sup>3</sup>			
139,100	2,485,717		
Saia <sup>1,3,4</sup>			
59,730	3,064,149		
Universal Logistics Holdings			
78,916	1,183,740	<b>24,488,952</b>	TRADING COMPANIES & DISTRIBUTORS - 0.5%
Central Steel & Wire <sup>2</sup>			
4,862	2,674,100		
Houston Wire & Cable <sup>3</sup>			
509,200	2,673,300		
MSC Industrial Direct Cl. A <sup>1</sup>			
5,463	469,600		

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SIG				
350,000	677,404		<b>6,494,404</b>	TRANSPORTATION INFRASTRUCTURE - 0.1%
Hopewell Highway Infrastructure				
1,012,000	<b>581,993</b>	<b>Total (Cost \$240,658,301)</b>	<b>416,150,923</b>	<b>INFORMATION TECHNOLOGY 17.9%</b>
COMMUNICATIONS EQUIPMENT - 0.5%				
ADTRAN 1,4				
234,973	4,852,192			
Clearfield 1,3,4				
55,600	733,920			
NetScout Systems3				
31,100	1,069,840			
Oclaro 1,3,4				
91,000	849,940		<b>7,505,892</b>	ELECTRONIC EQUIPMENT, INSTRUMENTS & COMPONENTS - 9.0%
Anixter International1,3,4				
70,895	5,543,989			
Bel Fuse Cl. B				
30,238	746,878			
Celestica 3				
169,600	2,303,168			
<b>Cognex Corporation1,4</b>				
201,870	17,138,763			
<b>Coherent3</b>				
100,534	22,619,145			
Dolby Laboratories Cl. A				
9,150	447,984			
Fabrinet 3				
60,600	2,585,196			

FARO Technologies<sup>3</sup>

161,467 6,103,453

**FLIR Systems**

317,000 10,987,220

HollySys Automation Technologies

53,882 894,980

Horiba

12,000 728,695

IPG Photonics<sup>1,3,4</sup>

58,000 8,415,800

LRAD Corporation<sup>3</sup>

744,944 1,258,955

Methode Electronics

30,530 1,257,836

**National Instruments**

261,850 10,531,607

Orbotech <sup>3</sup>

34,500 1,125,390

Perceptron <sup>3</sup>

357,700 2,604,056

Plexus Corporation<sup>3</sup>

150,600 7,917,042

Richardson Electronics

573,732 3,425,180

Rogers Corporation<sup>3</sup>

57,066 6,198,509

Systemax

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38,520	724,176		
TTM Technologies <sup>1,3,4</sup>			
496,400	8,617,504		
VST Holdings			
979,000	295,928		
Wasion Group Holdings			
1,500,000	691,647	<b>123,163,101</b>	INTERNET SOFTWARE & SERVICES - 2.0%
Actua Corporation <sup>3</sup>			
63,815	896,601		
Care.com <sup>3</sup>			
209,300	3,160,430		
CommerceHub Ser. C <sup>3</sup>			
50,000	872,000		
comScore <sup>2,3</sup>			
211,136	5,531,763		
HolidayCheck Group <sup>3</sup>			
44,900	157,386		
IZEA <sup>3</sup>			
110,106	210,302		
j2 Global			
61,620	5,243,246		
Leaf Group <sup>3</sup>			
50,000	390,000		
MiX Telematics ADR			
57,985	456,922		
QuinStreet <sup>3</sup>			
526,082	2,193,762		



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Solium Capital3

182,800 1,382,841

Spark Networks1,3

363,000 348,480

Stamps.com 3

37,500 5,807,813

Support.com 3

216,766 507,232 **27,158,778** IT SERVICES - 1.0%

Acxiom Corporation3

48,000 1,247,040

Convergys Corporation1

121,000 2,877,380

DST Systems1,4

20,000 1,234,000

Hackett Group (The)

417,266 6,467,623

Innodata 3

274,314 480,050

Unisys Corporation3

60,000 768,000 **13,074,093** SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT - 2.8%

Amtech Systems3

141,471 1,194,015

Brooks Automation

121,000 2,624,490

Cabot Microelectronics

14,000 1,033,620

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CyberOptics Corporation<sup>3</sup>

37,600 776,440

Diodes <sup>3</sup>

270,850 6,508,526

Intermolecular <sup>3</sup>

40,000 37,200

Kulicke & Soffa Industries<sup>3</sup>

77,400 1,472,148

MKS Instruments

24,210 1,629,333

Nanometrics <sup>3</sup>

61,000 1,542,690

Nova Measuring Instruments<sup>3</sup>

46,500 1,027,185

Photronics <sup>3</sup>

159,900 1,503,060

Rudolph Technologies<sup>1,3</sup>

62,700 1,432,695

Sigma Designs<sup>3</sup>

78,900 461,565

Silicon Motion Technology ADR

97,000 4,678,310

Teradyne

130,000 3,903,900

Ultra Clean Holdings<sup>3</sup>

42,800 802,500

Veeco Instruments<sup>3</sup>

17,500 487,375

Versum Materials

123,000 3,997,500

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## Royce Value Trust

Schedule of Investments (continued) (continued)	SHARES	VALUE	INFORMATION TECHNOLOGY
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SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT (continued)
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Xperi

111,430	\$ 3,320,614	<b>38,433,166</b>	SOFTWARE - 1.9%
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American Software Cl. A

108,690	1,118,420
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**ANSYS1,3,4**

95,000	11,559,600
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BroadSoft 3

25,000	1,076,250
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Computer Modelling Group

316,300	2,482,984
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Micro Focus International

25,000	739,466
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Model N3

300,387	3,995,147
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Monotype Imaging Holdings

117,700	2,153,910
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PSI

18,194	292,690
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RealNetworks 3

219,879	952,076
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Rosetta Stone3

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40,000	431,200				
SeaChange International3					
247,069	657,204	<b>25,458,947</b>		TECHNOLOGY HARDWARE, STORAGE & PERIPHERALS -	
0.7%					
Diebold Nixdorf					
266,600	7,464,800				
Intevac 3					
168,700	1,872,570	<b>9,337,370</b>	<b>Total (Cost \$158,446,124)</b>	<b>244,131,347</b>	<b>MATERIALS 7.5%</b>
	CHEMICALS - 2.3%				
FutureFuel Corporation					
48,500	731,865				
Hawkins					
86,178	3,994,350				
Innospec					
36,883	2,417,681				
Minerals Technologies					
108,793	7,963,647				
<b>Quaker Chemical</b>					
109,669	15,927,229	<b>31,034,772</b>		CONSTRUCTION MATERIALS - 1.0%	
<b>Ash Grove Cement Cl. B2</b>					
50,518	<b>13,387,775</b>			CONTAINERS & PACKAGING - 0.3%	
Mayr-Melnhof Karton					
34,000	<b>4,446,389</b>			METALS & MINING - 3.8%	
Alamos Gold Cl. A					
263,300	1,867,952				
Ampco-Pittsburgh					
36,966	545,249				
Constellium Cl. A3					

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70,000 483,000

Ferroglobe

50,000 597,500

Ferroglobe (Warranty Insurance Trust)3,6

49,300 0

Franco-Nevada Corporation

107,300 7,742,768

Gold Fields ADR

370,000 1,287,600

Haynes International1

113,900 4,135,709

Hecla Mining

321,300 1,638,630

Lundin Mining

640,000 3,637,261

Major Drilling Group International3

960,900 6,290,901

Pretium Resources3

165,000 1,585,364

Reliance Steel & Aluminum

128,720 9,372,103

Royal Gold

16,600 1,297,622

Sandstorm Gold3

270,000 1,044,900

Synalloy Corporation3

178,800 2,029,380

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Tree Island Steel

30,000 90,685

Worthington Industries

148,000 7,432,560 **51,079,184** PAPER & FOREST PRODUCTS - 0.1%

Stella-Jones

40,300 **1,375,446** **Total (Cost \$59,812,511)** **101,323,566**  
**REAL ESTATE 3.0%** EQUITY REAL ESTATE INVESTMENT TRUSTS (REITS) - 0.0%

Irish Residential Properties REIT

200,000 **310,665** REAL ESTATE MANAGEMENT & DEVELOPMENT - 3.0%

Altus Group

24,200 523,077

FirstService Corporation

135,100 8,643,698

Forestar Group3

81,000 1,389,150

FRP Holdings3

178,558 8,240,452

Kennedy-Wilson Holdings

101,300 1,929,765

Marcus & Millichap3

273,013 7,196,622

Real Estate Investors

500,000 393,991

RMR Group Cl. A1

27,200 1,323,280

St. Joe Company (The)3

177,000 3,318,750

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Tejon Ranch3

360,035	7,431,122	<b>40,389,907</b>	<b>Total (Cost \$29,473,281)</b>	<b>40,700,572</b>
<b>TELECOMMUNICATION SERVICES</b>	<b>0.6%</b>		<b>DIVERSIFIED TELECOMMUNICATION SERVICES - 0.1%</b>	

China Communications Services

750,182 432,384

HKBN

500,000	501,444	<b>933,828</b>	<b>WIRELESS TELECOMMUNICATION SERVICES - 0.5%</b>
---------	---------	----------------	---

Boingo Wireless3

50,000 748,000

Telephone and Data Systems

208,270	5,779,493	<b>6,527,493</b>	<b>Total (Cost \$6,918,793)</b>	<b>7,461,321</b>	<b>UTILITIES</b>	<b>0.1%</b>
<b>GAS UTILITIES - 0.1%</b>						

Shizuoka Gas

110,000 731,540

Toho Gas

60,000	436,364	<b>1,167,904</b>	<b>INDEPENDENT POWER &amp; RENEWABLE ELECTRICITY PRODUCER - 0.0%</b>
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Calpine Corporation3

30,000	<b>405,900</b>	<b>MULTI-UTILITIES - 0.0%</b>
--------	----------------	-------------------------------

Just Energy Group1

18,520	<b>97,045</b>	<b>Total (Cost \$1,561,806)</b>	<b>1,670,849</b>	<b>MISCELLANEOUS7</b>	<b>2.2%</b>	<b>Total (Cost</b>
<b>\$29,970,345)</b>	<b>29,755,191</b>	<b>TOTAL COMMON STOCKS</b>	<b>(Cost \$973,092,980)</b>			<b>1,357,965,955</b>
<b>REPURCHASE AGREEMENT</b>	<b>5.0%</b>					

Fixed Income Clearing Corporation, 0.12% dated 6/30/17, due 7/3/17, maturity value \$68,755,688 (collateralized by obligations of various U.S. Government Agencies, 2.25%-2.375% due 8/15/24-11/15/24, valued at \$70,132,893)



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(Cost \$68,755,000)	68,755,000	TOTAL INVESTMENTS	104.8%	(Cost \$1,041,847,980)
1,426,720,955		LIABILITIES LESS CASH AND OTHER ASSETS	(4.8)%	(65,914,590 )
<b>NET ASSETS</b>	<b>100.0%</b>	<b>\$ 1,360,806,365</b>		

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June 30, 2017 (unaudited)

New additions in 2017. 1

All or a portion of these securities were pledged as collateral in connection with the Fund s revolving credit agreement at June 30, 2017. Total market value of pledged securities at June 30, 2017, was \$114,108,923.

2

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.

3 Non-income producing. 4

At June 30, 2017, a portion of these securities were rehypothecated in connection with the Fund s revolving credit agreement in the aggregate amount of \$66,420,057.

5

At June 30, 2017, 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 2017 and less than 1% of net assets. **Bold indicates the Fund s 20 largest equity holdings in terms of June 30, 2017, market value.**

**TAX INFORMATION:** The cost of total investments for Federal income tax purposes was \$1,044,320,297. At June 30, 2017, net unrealized appreciation for all securities was \$382,400,658, consisting of aggregate gross unrealized appreciation of \$471,036,166 and aggregate gross unrealized depreciation of \$88,635,508. The primary cause of the difference between book and tax basis cost is the timing of the recognition of losses on securities sold.

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS** 2017 Semiannual Report to Stockholders |  
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## Royce Value Trust June 30, 2017 (unaudited)

**Statement of Assets and Liabilities** ASSETS: Investments at value

Non-Affiliated Companies

\$ 1,345,710,195

Affiliated Companies

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12,255,760 Repurchase agreements (at cost and value) 68,755,000 Cash and foreign currency 280,471 Receivable for investments sold 4,042,117 Receivable for dividends and interest 906,311 Prepaid expenses and other assets 600,253 **Total Assets 1,432,550,107** LIABILITIES: Revolving credit agreement 70,000,000 Payable for investments purchased 943,432 Payable for investment advisory fee 496,668 Payable for directors fees 48,125 Payable for interest expense 8,745 Accrued expenses 140,880 Deferred capital gains tax 105,892 **Total Liabilities 71,743,742** **Net Assets \$ 1,360,806,365** ANALYSIS OF NET ASSETS: Paid-in capital - \$0.001 par value per share; 83,108,427 shares outstanding (150,000,000 shares authorized) \$ 981,272,685 Undistributed net investment income (loss) 2,033,021 Accumulated net realized gain (loss) on investments and foreign currency 36,276,725 Net unrealized appreciation (depreciation) on investments and foreign currency 384,752,871 Quarterly distributions (43,528,937) **Net Assets (net asset value per share - \$16.37) \$ 1,360,806,365** Investments at identified cost \$ 973,092,980

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## Royce Value Trust

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<b>Statement of Changes in Net Assets</b>		<b>SIX MONTHS ENDED</b>		<b>6/30/17</b>	<b>(UNAUDITED)</b>	<b>YEAR</b>
<b>ENDED 12/31/16</b>	<b>INVESTMENT OPERATIONS:</b>					
				Net investment income (loss)	\$ 3,992,392	\$ 9,680,260
Net realized gain (loss) on investments and foreign currency		26,622,919	75,719,009	Net change in unrealized appreciation (depreciation) on investments and foreign currency	59,248,466	186,502,762
	<b>Net increase (decrease) in net assets from investment operations</b>	<b>89,863,777</b>	<b>271,902,031</b>	<b>DISTRIBUTIONS:</b>		
(3,482,315 ) <sup>1</sup>	(10,786,801 )	Net realized gain on investments and foreign currency		(29,164,388 ) <sup>1</sup>	(70,931,388 )	Return of capital
(10,882,234 ) <sup>1</sup>	<b>Total distributions</b>	<b>(43,528,937 )</b>	<b>(81,718,189 )</b>	<b>CAPITAL STOCK TRANSACTIONS:</b>		
	Reinvestment of distributions	18,459,813	33,793,124	<b>Total capital stock transactions</b>	<b>18,459,813</b>	
<b>33,793,124</b>	<b>Net Increase (Decrease) In Net Assets</b>	<b>64,794,653</b>	<b>223,976,966</b>	<b>NET ASSETS:</b>		<b>Beginning of period</b>
<b>1,296,011,712</b>	<b>1,072,034,746</b>	<b>End of period (including undistributed net investment income (loss) of</b>				
<b>\$2,033,021 at 6/30/17 and \$(1,959,371) at 12/31/16</b>	<b>\$ 1,360,806,365</b>	<b>\$ 1,296,011,712</b>				

<sup>1</sup> Amounts are subject to change and recharacterization at year end.

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS** 2017 Semiannual Report to Stockholders |

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## Royce Value Trust Six Months Ended June 30, 2017 (unaudited)

**Statement of Operations**      **INVESTMENT INCOME:**      INCOME:      Dividends

Non-Affiliated Companies

\$ 8,351,412

Affiliated Companies

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97,724 Foreign withholding tax (229,771 ) Interest 112,157 Rehypothecation income 13,888 **Total income**  
**8,345,410** EXPENSES: Investment advisory fees 2,959,024 Interest expense 733,983 Stockholder reports  
192,588 Administrative and office facilities 159,233 Custody and transfer agent fees 95,490 Directors fees 83,239  
Professional fees 81,518 Other expenses 48,216 **Total expenses 4,353,291** Compensating balance credits  
(273 ) **Net expenses 4,353,018** **Net investment income (loss) 3,992,392** **REALIZED AND UNREALIZED GAIN**  
**(LOSS) ON INVESTMENTS AND FOREIGN CURRENCY:** NET REALIZED GAIN (LOSS): Investments 26,582,541  
Foreign currency transactions 40,378 NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION):  
Investments in Non-Affiliated Companies and foreign currency translations 57,058,047 Investments in Affiliated Companies  
2,257,394 Other assets and liabilities denominated in foreign currency (66,975 ) **Net realized and unrealized gain (loss)**  
**on investments and foreign currency 85,871,385** **NET INCREASE (DECREASE) IN NET ASSETS FROM INVESTMENT**  
**OPERATIONS \$ 89,863,777**

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## Royce Value Trust Six Months Ended June 30, 2017 (unaudited)

**Statement of Cash Flows** CASH FLOWS FROM OPERATING ACTIVITIES: Net increase (decrease) in net  
assets from investment operations \$ 89,863,777 Adjustments to reconcile net increase (decrease) in net assets from  
investment operations to net cash provided by operating activities:

Purchases of long-term investments

(114,948,208 )

Proceeds from sales and maturities of long-term investments

123,838,636

Net purchases, sales and maturities of short-term investments

12,157,000

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

373,134

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

(61,632 )

Net change in unrealized appreciation (depreciation) on investments

(59,315,441 )

Net realized gain (loss) on investments and foreign currency

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(26,622,919 ) **Net cash provided by operating activities** **25,284,347** CASH FLOWS FROM FINANCING ACTIVITIES:  
 Net increase (decrease) in revolving credit agreement Distributions (43,528,937 ) Reinvestment of distributions  
 18,459,813 **Net cash used for financing activities** **(25,069,124 ) INCREASE (DECREASE) IN CASH: 215,223 Cash**  
**and foreign currency at beginning of period 65,248 Cash and foreign currency at end of period \$ 280,471**  
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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.

SIX MONTHS		YEARS ENDED		ENDED 6/30/17		(UNAUDITED)		12/31/16	12/31/15
12/31/14	12/31/13	12/31/12	Net Asset Value, Beginning of Period		\$ 15.85	\$ 13.56	\$ 16.24	\$ 18.17	\$ 15.40
<b>\$ 14.18</b> INVESTMENT OPERATIONS:					Net investment income (loss) 0.05 0.12 0.12				
0.12	0.12	0.23	Net realized and unrealized gain (loss) on investments and						
foreign currency		1.03	3.27	(1.48)	(0.13)	4.89	2.02	<b>Total investment operations</b>	<b>1.08 3.39 (1.36)</b>
<b>(0.01)</b>	<b>5.01</b>	<b>2.25</b>	DISTRIBUTIONS TO PREFERRED STOCKHOLDERS:		Net investment				
income					(0.04)				
(0.13)					<b>Total distributions to Preferred Stockholders</b>				
					<b>(0.17)</b>				

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

<b>1.08</b>	<b>3.39</b>	<b>(1.36)</b>	<b>(0.01)</b>	<b>5.01</b>	<b>2.08</b>	DISTRIBUTIONS TO COMMON STOCKHOLDERS:					
Net investment income		(0.04)	1	(0.13)	(0.16)	(0.14)	(0.11)	(0.17)	Net realized gain on investments and		
foreign currency		(0.36)	1	(0.89)	(1.08)	(1.68)	(2.08)	(0.63)	Return of capital (0.13)		
<b>Total distributions to Common Stockholders</b>		<b>(0.53)</b>	<b>(1.02)</b>	<b>(1.24)</b>	<b>(1.82)</b>	<b>(2.19)</b>	<b>(0.80)</b>	CAPITAL			
STOCK TRANSACTIONS:		Effect of reinvestment of distributions by Common Stockholders (0.03)									
(0.08)	(0.08)	(0.10)	(0.05)	(0.06)	<b>Total capital stock transactions</b>		<b>(0.03)</b>	<b>(0.08)</b>	<b>(0.08)</b>	<b>(0.10)</b>	
<b>(0.05)</b>	<b>(0.06)</b>	<b>Net Asset Value, End of Period</b>		<b>\$ 16.37</b>	<b>\$ 15.85</b>	<b>\$ 13.56</b>	<b>\$ 16.24</b>	<b>\$ 18.17</b>	<b>\$ 15.40</b>	<b>Market</b>	
<b>Value, End of Period</b>		<b>\$ 14.59</b>	<b>\$ 13.39</b>	<b>\$ 11.77</b>	<b>\$ 14.33</b>	<b>\$ 16.01</b>	<b>\$ 13.42</b>	TOTAL RETURN: <sup>2</sup>			
Net Asset Value		7.22	% <sup>3</sup>	26.87	%	(8.09)	%	0.78	%	34.14	%
Market Value		13.12	% <sup>3</sup>	23.48	%	(9.59)	%	0.93	%	35.63	%
		16.22	%								

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

Investment advisory fee expense <sup>4</sup>		0.45	% <sup>5</sup>	0.51	%	0.50	%	0.46	%	0.54	%	0.56	%
Other operating expenses		0.21	% <sup>5</sup>	0.22	%	0.18	%	0.15	%	0.25	%	0.15	%
Total expenses (net) <sup>6</sup>		0.66	% <sup>5</sup>	0.73	%	0.68	%	0.61	%	0.79	%	0.71	%
Expenses net of fee waivers and excluding interest expense		0.55	% <sup>5</sup>	0.62	%	0.61	%	0.55	%	0.65	%	0.68	%
Expenses prior to fee waivers and balance credits		0.66	% <sup>5</sup>	0.73	%	0.68	%	0.61	%	0.79	%	0.71	%
Expenses prior to fee waivers		0.66	% <sup>5</sup>	0.73	%	0.68	%	0.61	%	0.79	%	0.71	%
Net investment income (loss)		0.60	% <sup>5</sup>	0.85	%	0.78	%	0.72	%	0.70	%	1.57	%
SUPPLEMENTAL DATA:													
Net Assets Applicable to Common Stockholders,													
End of Period (in thousands)		\$ 1,360,806		\$ 1,296,012		\$ 1,072,035		\$ 1,231,955		\$ 1,307,829		\$ 1,082,426	
Portfolio Turnover Rate		8	%	28	%	35	%	40	%	33	%	25	%
REVOLVING CREDIT AGREEMENT:													
Asset coverage		2044	%	1951	%	1631	%	1860	%	1289	%	822	%
Asset coverage per \$1,000		\$ 20,440		\$ 19,514		\$ 16,315		\$ 18,599		\$ 12,889		\$ 8,216	

1

Amounts are subject to change and recharacterization at year end.

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

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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.

3

Not annualized

4

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.

5

Annualized

6

Expense ratio based on total average net assets including liquidation value of Preferred Stock was 0.60% for the year ended December 31, 2012.

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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

## Royce Value Trust

### Notes to Financial Statements (unaudited)

#### 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 June 30, 2017. For a detailed breakout of common stocks by sector classification, please refer to the Schedule of Investments.

	<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>LEVEL 3</b>	<b>TOTAL</b>	Common Stocks	\$1,321,736,715	\$35,337,177	\$892,063	<b>\$1,357,965,955</b>
Cash Equivalents		68,755,000		<b>68,755,000</b>					

Certain securities have transferred in and out of Level 1 and Level 2 measurements during the reporting period. The Fund recognizes transfers between levels as of the end of the reporting period. For the six months ended June 30, 2017, securities valued at \$5,639,118 were transferred from Level 1 to Level 2 and securities valued at \$82,049,938 were transferred from Level 2 to Level 1 within the fair value hierarchy.



## Royce Value Trust

### Notes to Financial Statements (unaudited) (continued)

#### VALUATION OF INVESTMENTS (continued):

##### Level 3 Reconciliation:

##### BALANCE AS OF 12/31/16 REALIZED AND UNREALIZED

**GAIN (LOSS)<sup>1</sup> BALANCE AS OF 6/30/17** Common Stocks \$892,063 \$ \$892,063 <sup>1</sup> 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.

The following table summarizes the valuation techniques used and unobservable inputs approved by the Valuation Committee to determine the fair value of certain, material Level 3 investments. The table does not include Level 3 investments with values derived utilizing prices from prior transactions or third party pricing information with adjustments (e.g. broker quotes, pricing services, net asset values).

FAIR VALUE AT	IMPACT TO VALUATION FROM	6/30/17	VALUATION TECHNIQUE(S)	UNOBSERVABLE INPUT(S)
RANGE AVERAGE	AN INCREASE IN INPUT <sup>1</sup>	Discounted Present Value	Common Stocks	\$892,063 Balance
Sheet Analysis	Liquidity Discount 30%-40%	Decrease	<sup>1</sup> This column represents the directional change in the fair value of the Level 3 investments that would result in an increase from the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these unobservable inputs in isolation could result in significantly higher or lower fair value measurements.	

##### 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. The remaining contractual maturity of the repurchase agreement held by the Fund at June 30, 2017 is overnight and continuous.

##### 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.

##### 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

## Royce Value Trust

### Notes to Financial Statements (unaudited) (continued)

#### DISTRIBUTIONS (continued):

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. Premiums 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 ( 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 1,316,503 and 2,740,162 shares of Common Stock as reinvestment of distributions for the six months ended June 30, 2017 and the year ended December 31, 2016, respectively.

#### Borrowings:

The Fund is party to a revolving credit agreement (the credit agreement) with BNP Paribas Prime Brokerage International, Limited (BNPPI). 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 or as otherwise required by applicable regulatory standards and has granted a security interest in the securities pledged to, and in favor of, BNPPI 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 which may necessitate the sale of portfolio securities at potentially inopportune times. BNPPI may terminate the credit agreement upon certain ratings downgrades of its corporate parent, which would result in the Fund's entire loan balance becoming immediately due and payable. The occurrence of such ratings downgrades may necessitate the sale of portfolio securities at potentially inopportune times. The credit agreement also permits, subject to certain conditions, BNPPI 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 BNPPI on demand. If BNPPI fails to deliver the recalled security in a timely manner, the Fund is compensated by BNPPI for any fees or losses related to the failed delivery or, in the event a recalled security is not returned by BNPPI, the Fund, upon notice to BNPPI, may reduce the loan balance outstanding by the value of the recalled security failed to be returned. The Fund receives a portion of the fees earned by BNPPI in connection with the rehypothecation of portfolio securities.

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As of June 30, 2017, the Fund has outstanding borrowings of \$70,000,000. During the six months ended June 30, 2017, the Fund borrowed an average daily balance of \$70,000,000 at a weighted average borrowing cost of 2.09%. The maximum amount outstanding during the six months ended June 30, 2017 was \$70,000,000. As of June 30, 2017, the aggregate value of rehypothecated securities was \$66,420,057. During the six months ended June 30, 2017, the Fund earned \$13,888 in fees from rehypothecated securities.

## Royce Value Trust

### Notes to Financial Statements (unaudited) (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 six rolling 60-month periods ended June 2017, the Fund's investment performance ranged from 22% to 39% below the investment performance of the S&P 600. Accordingly, the net investment advisory fee consisted of a Basic Fee of \$5,918,045 and a net downward adjustment of \$2,959,021 for the performance of the Fund relative to that of the S&P 600. For the six months ended June 30, 2017, the Fund expensed Royce investment advisory fees totaling \$2,959,024.

#### Purchases and Sales of Investment Securities:

For the six months ended June 30, 2017, the costs of purchases and proceeds from sales of investment securities, other than short-term securities, amounted to \$113,917,878 and \$100,392,526, respectively.

Cross trades were executed by the Fund pursuant to Rule 17a-7 under the 1940 Act. Cross trading is the buying or selling of portfolio securities between funds to which Royce serves as investment adviser. At its regularly scheduled quarterly meetings, the Board reviews such transactions as of the most recent calendar quarter for compliance with the requirements and restrictions set forth by Rule 17a-7. Cross trades for the six months ended June 30, 2017, were as follows:

<b>COST OF PURCHASES</b>	<b>PROCEEDS FROM SALES</b>	<b>REALIZED GAIN (LOSS)</b>	\$2,700,488	\$	\$
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#### 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 six months ended June 30, 2017:

**SHARES MARKET**

VALUE UNREALIZED	COST OF PURCHASES	CHANGE IN NET	SHARES	MARKET VALUE	AFFILIATED COMPANY	12/31/16	12/31/16	PURCHASES
APPRECIATION FROM SALES	REALIZED (DEPRECIATION)	DIVIDEND GAIN (LOSS)	INCOME	6/30/17	6/30/17			
\$ 209,632	\$	\$ 912,235	\$ 1,030,826	Timberland Bancorp	444,200	9,177,172		\$ 821,194
2,047,762	97,724	444,200	11,224,934					\$ 97,724
<b>\$ 12,255,760</b>								

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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.

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HISTORY	AMOUNT INVESTED	PURCHASE PRICE1	SHARES	NAV VALUE2	MARKET VALUE2	Royce Global Value Trust					
		10/17/13 Initial Purchase	\$ 8,975	\$ 8.975	1,000	\$ 9,780	\$ 8,975	12/11/14	Distribution		
\$0.15	7.970	19 9,426	8,193	12/10/15	Distribution \$0.10	7.230	14	9,101	7,696	12/9/16	
		Distribution \$0.14	7.940	18 10,111	<b>8,446</b>	<b>6/30/17</b>	<b>\$ 8,975</b>	<b>1,051</b>	<b>\$ 11,740</b>	<b>\$ 10,100</b>	
<b>Royce Micro-Cap Trust</b>				12/14/93	Initial Purchase	\$ 7,500	\$ 7.500	1,000	\$ 7,250	\$ 7,500	
10/28/94	Rights Offering	1,400	7.000	200	12/19/94	Distribution \$0.05	6.750	9	9,163		
8,462	12/7/95	Distribution \$0.36	7.500	58	11,264	10,136	12/6/96	Distribution \$0.80	7.625		
133	13,132	11,550	12/5/97	Distribution \$1.00	10.000	140	16,694	15,593	12/7/98	Distribution	
\$0.29	8.625	52	16,016	14,129	12/6/99	Distribution \$0.27	8.781	49	18,051	14,769	
12/6/00	Distribution \$1.72	8.469	333	20,016	17,026	12/6/01	Distribution \$0.57	9.880	114		
24,701	21,924	2002	Annual distribution total \$0.80	9.518	180	21,297	19,142	2003	Annual		
distribution total \$0.92	10.004	217	33,125	31,311	2004	Annual distribution total \$1.33	13.350				
257	39,320	41,788	2005	Annual distribution total \$1.85	13.848	383	41,969	45,500	2006	Annual	
distribution total \$1.55	14.246	354	51,385	57,647	2007	Annual distribution total \$1.35	13.584				
357	51,709	45,802	2008	Annual distribution total \$1.193	8.237	578	28,205	24,807	3/11/09		
Distribution \$0.223	4.260	228	41,314	34,212	12/2/10	Distribution \$0.08	9.400	40	53,094		
45,884	2011	Annual distribution total \$0.533	8.773	289	49,014	43,596	2012	Annual distribution total			
\$0.51	9.084	285	57,501	49,669	2013	Annual distribution total \$1.38	11.864	630	83,110		
74,222	2014	Annual distribution total \$2.90	10.513	1,704	86,071	76,507	2015	Annual distribution total			
\$1.26	7.974	1,256	75,987	64,222	2016	Annual distribution total \$0.64	7.513	779	92,689		
78,540	2017	Year-to-date distribution total \$0.32	8.317	374		<b>6/30/17</b>	<b>\$ 8,900</b>	<b>9,999</b>	<b>\$</b>		
<b>98,190</b>	<b>\$ 86,491</b>										

1 The purchase price used for annual distribution totals is a weighted average of the distribution reinvestment prices for the year. 2 Values are stated as of December 31 of the year indicated, after reinvestment of distributions, other than for initial purchase. 3 Includes a return of capital. 2017 Semiannual Report to Stockholders | 55

## History Since Inception (continued)

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HISTORY	AMOUNT INVESTED	PURCHASE PRICE <sup>1</sup>	SHARES	NAV VALUE <sup>2</sup>	MARKET VALUE <sup>2</sup>	Royce Value Trust				
	11/26/86	Initial Purchase	\$ 10,000	\$ 10.000	1,000	\$ 9,280	\$ 10,000	10/15/87	Distribution	
\$0.30	7,000	42								
		12/31/87	Distribution \$0.22		7.125	32	8,578	7,250	12/27/88	
Distribution	\$0.51	8.625	63	10,529	9,238	9/22/89 Rights Offering		405	9,000	45
12/29/89	Distribution	\$0.52	9.125	67	12,942	11,866	9/24/90 Rights Offering		457	7,375
	12/31/90	Distribution	\$0.32	8.000	52	11,713	11,074	9/23/91 Rights Offering		638
68		12/31/91	Distribution	\$0.61	10.625	82	17,919	15,697	9/25/92 Rights Offering	
11,000	75		12/31/92	Distribution	\$0.90	12.500	114	21,999	20,874	9/27/93 Rights Offering
	1,469	13,000	113							
		12/31/93	Distribution	\$1.15		13,000	160	26,603	25,428	10/28/94
Rights Offering	1,103	11,250	98							
		12/19/94	Distribution	\$1.05		11,375	191	27,939		
24,905	11/3/95	Rights Offering	1,425	12,500	114			12/7/95 Distribution \$1.29		12,125
35,676	31,243	12/6/96	Distribution	\$1.15	12,250	247	41,213	36,335	1997	Annual distribution
total	\$1.21	15,374	230	52,556	46,814	1998	Annual distribution total \$1.54		14,311	347
54,313	47,506	1999	Annual distribution total \$1.37		12,616	391	60,653	50,239	2000	Annual
distribution	total	\$1.48	13,972	424	70,711	61,648	2001 Annual distribution total \$1.49		15,072	
437	81,478	73,994	2002 Annual distribution total \$1.51		14,903	494	68,770	68,927	1/28/03	
Rights Offering	5,600	10,770	520			2003 Annual distribution total \$1.30		14,582	516	
106,216	107,339	2004	Annual distribution total \$1.55		17,604	568	128,955	139,094	2005	Annual
distribution	total	\$1.61	18,739	604	139,808	148,773	2006 Annual distribution total \$1.78		19,696	
693	167,063	179,945	2007 Annual distribution total \$1.85		19,687	787	175,469	165,158	2008	
Annual distribution	total	\$1.723	12,307	1,294	95,415	85,435	3/11/09 Distribution \$0.323		6,071	
537	137,966	115,669	12/2/10	Distribution	\$0.03	13,850	23	179,730	156,203	2011
distribution	total	\$0.783	13,043	656	161,638	139,866	2012 Annual distribution total \$0.80		13,063	
714	186,540	162,556	2013 Annual distribution total \$2.194		16,647	1,658	250,219	220,474		
2014	Annual distribution total \$1.82		14,840	1,757	252,175	222,516	2015 Annual distribution total \$1.24			
	12,725	1,565	231,781	201,185	2016	Annual distribution total \$1.02		12,334	1,460	293,880
248,425	2017	Year-to-date distribution total \$0.53		14,023	708		<b>6/30/17</b>	<b>\$ 21,922</b>	<b>19,261</b>	
	<b>\$ 315,303</b>	<b>\$ 281,018</b>								

1 The purchase price used for annual distribution totals is a weighted average of the distribution reinvestment prices for the year. 2 Values are stated as of December 31 of the year indicated, after reinvestment of distributions, other than for initial purchase. 3 Includes a return of capital. 4 Includes Royce Global Value Trust spin-off of \$1.40 per share.

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## 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 your 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 June 30, 2017.

**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 June 30, 2017. 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.).

## 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>**

Age: 77 | Number of Funds Overseen: 22 | Tenure: Since 1982

**Non-Royce Directorships:** Director of TICC Capital Corp.

**Principal Occupation(s) During Past Five Years:** Chairman of the Board of Managers of Royce & Associates, LP ( Royce ), the Trust's investment adviser; Chief Executive Officer (1972-June 2017), President (1972-July 2014) of Royce.

### **Christopher D. Clark, Director<sup>1</sup>, President**

Age: 52 | Number of Funds Overseen: 22 | Tenure: Since 2014

**Principal Occupation(s) During Past Five Years:** Chief Executive Officer (since July 2017), President (since July 2014), Co-Chief Investment Officer (Since January 2014), Managing Director and, since June 2015, a Member of the Board of Managers of Royce, having been employed by Royce since May 2007.

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### **Patricia W. Chadwick, Director**

Age: 68 | Number of Funds Overseen: 22 | 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).

### **Stephen L. Isaacs, Director**

Age: 77 | Number of Funds Overseen: 22 | 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: 75 | Number of Funds Overseen: 40 | 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: 77 | Number of Funds Overseen: 22 | 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: 71 | Number of Funds Overseen: 40 | 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).

### **Michael K. Shields, Director**

Age: 59 | Number of Funds Overseen: 22 | Tenure: Since 2015

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**Principal Occupation(s) During Past Five Years:** President and Chief Executive Officer of Piedmont Trust Company, a private North Carolina trust company (since May 2012). Mr. Shields' s prior business experience includes owning Shields Advisors, an investment consulting firm (from April 2010 to June 2012).

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**Francis D. Gannon, Vice President**

Age: 49 | 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.

**Daniel A. O Byrne, Vice President**

Age: 55 | Tenure: Since 1994

**Principal Occupation(s) During Past Five Years:** Principal and Vice President of Royce, having been employed by Royce since October 1986.

**Peter K. Hoglund, Treasurer**

Age: 51 | Tenure: Since 2015

**Principal Occupation(s) During Past Five Years:** Chief Financial Officer, Chief Administrative Officer, and Managing Director of Royce, having been employed by Royce since December 2014. Prior to joining Royce, Mr. Hoglund spent more than 20 years with Munder Capital Management in Birmingham, MI, serving as Managing Director and Chief Financial Officer and overseeing all financial aspects of the firm. He began his career at Munder as a portfolio manager.

**John E. Denneen, Secretary and Chief Legal Officer**

Age: 50 | Tenure: 1996-2001 and Since 2002

**Principal Occupation(s) During Past Five Years:** General Counsel, Managing Director, and, since June 2015, a Member of the Board of Managers of Royce. Chief Legal and Compliance Officer and Secretary of Royce.

**Lisa Curcio, Chief Compliance Officer**

Age: 57 | 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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## Board Approval of Investment Advisory Agreements

At meetings held on June 5-6, 2017, the Funds' respective Boards of Directors, including all of the non-interested directors, approved the continuation of investment advisory agreements (each, an Investment Advisory Agreement and collectively, the Investment Advisory Agreements) between Royce & Associates, LP (R&A) and each of Royce Value Trust, Inc., Royce Micro-Cap Trust, Inc., and Royce Global Value Trust, Inc. (each, a Fund and collectively, the Funds). In reaching these decisions, each Board reviewed the materials provided by R&A, which included, among other things, information prepared internally by R&A and independently by Morningstar Associates, LLC (Morningstar) containing detailed investment advisory fee, expense ratio, and investment performance comparisons for the Funds with other funds in their respective peer groups, information regarding the past performance of the Funds and other registered investment companies managed by R&A and a memorandum outlining the legal duties of each Board prepared by independent counsel to the non-interested directors. R&A also provided the directors with an analysis of its profitability with respect to providing investment advisory services to each of the Funds. In addition, each Board took into account information furnished throughout the year at regular Board meetings, including reports on investment performance, stockholder services, regulatory compliance, brokerage commissions and research, and brokerage and other execution products and services provided to the Funds. Each Board also considered other matters it deemed important to the approval process, such as allocation of brokerage commissions, soft dollar research services R&A receives and other direct and indirect benefits to R&A and its affiliates, from their relationship with the relevant Fund. The directors also met throughout the year with investment advisory personnel from R&A. Each Board, in its deliberations, recognized that, for many of the Funds' stockholders, the decision to purchase Fund shares included a decision to select R&A as the investment adviser and that there was a strong association in the minds of Fund stockholders between R&A and each Fund. In considering factors relating to the approval of the continuance of the Investment Advisory Agreements, the non-interested directors received assistance and advice from, and met separately with, their independent counsel. While all three of the Investment Advisory Agreements were considered at the same Board meetings, the Boards dealt with each agreement separately. Among other factors, the directors considered the following:

### **The nature, extent and quality of services provided by R&A:**

Each Board considered the following factors to be of fundamental importance to its consideration of whether to approve the continuance of the Investment Advisory Agreement: (i) R&A's more than 40 years of value investing experience and track record; (ii) the history of long-tenured R&A portfolio managers managing the Funds; (iii) R&A's focus on mid-cap, small-cap and micro-cap value investing; (iv) the consistency of R&A's approach to managing the Funds and open-end mutual funds over more than 40 years; (v) the integrity and high ethical standards adhered to at R&A; (vi) R&A's specialized experience in the area of trading small- and micro-cap securities; (vii) R&A's historical ability to attract and retain portfolio management talent and (viii) R&A's focus on stockholder interests as exemplified by expansive stockholder reporting and communications. The Boards also noted that R&A's compensation policy arrangements strongly encourage portfolio manager investment in each Fund that they manage. Each Board reviewed the services that R&A provides to each Fund, including, but not limited to, managing each Fund's investments in accordance with the stated policies of each Fund. Each Board considered the fact that R&A provided certain administrative services to the Funds at cost pursuant to the Administration Agreement between the Funds and R&A. Each Board determined that the services to be provided to each Fund by R&A would be the same as those that it previously provided to the relevant Fund. The Boards also took into consideration the histories, reputations and backgrounds of R&A's portfolio managers for the Funds, finding that these would likely have an impact on the continued success of the Funds. Lastly, each Board noted R&A's ability to attract and retain qualified and experienced personnel. The directors concluded that the investment advisory services provided by R&A to each Fund compared favorably to services provided by R&A to other R&A client accounts, including other funds, in both nature and quality, and that the scope of services provided by R&A would continue to be suitable for the Funds.

### **Investment performance of the Funds and R&A:**

In light of R&A's risk-averse approach to investing, each Board believes that risk-adjusted performance continues to be the most appropriate measure of each Fund's investment performance. One measure of risk-adjusted performance the Boards use in their review of the Funds' performance is the Sharpe Ratio. The Sharpe Ratio is a risk-adjusted measure of performance developed by Nobel Laureate William Sharpe. It is calculated by dividing a Fund's annualized excess returns by its annualized standard deviation to determine reward per unit of risk. The higher the Sharpe Ratio, the better a Fund's historical risk-adjusted performance. The Boards attach primary importance to risk-adjusted performance over relatively long periods of time, typically 3 to 10 years. It was noted, however, that Royce Global Value Trust, Inc. (RGT) had less than five full calendar years of performance because its inception date was October 18, 2013. Overall, the Boards noted that financial markets in 2016 were marked by increased return dispersion, declining correlation, and a steepening yield curve. These factors resulted in a very strong year for small-cap stocks and an even better year for small-cap value stocks and cyclical sectors. The 2016 market environment enabled each of Royce Value Trust, Inc. (RVT) and Royce Micro-Cap Trust, Inc. (RMT) to outperform its peers in 2016 as evidenced by its Sharpe Ratio. While the directors recognize that one-year performance does not define a trend and place primary emphasis on

medium-term and longer-term risk adjusted performance as referenced above, they also noted that the improved relative risk-adjusted performance of RVT and RMT during the more historically customary market environment that prevailed during 2016 was not insignificant. Along those lines, the relevant Boards noted that RVT and RMT also generally underperformed their respective peers, as evidenced by their Sharpe Ratios, from approximately March 2009 through the end of 2015. This post-2008 market period was marked by historically low interest rates and significant U.S. Federal Reserve market intervention. During this period, highly leveraged, non-earning companies and yield-oriented securities (e.g., master limited partnerships, real estate investment trusts, and utilities) generally outperformed the higher quality companies (e.g., those with solid balance sheets, low leverage, the ability to generate and effectively allocate free cash flow, and strong returns on invested capital) and cyclical companies favored by each of RVT and RMT. The directors also noted, however, as discussed below, that the relative performance for each of RVT and RMT during the more historically customary market cycle preceding the 2008 financial crisis was quite strong. Using Morningstar data, the Sharpe Ratio for RVT placed in the 1st, 4th, 4th, and 4th quartiles within the Small Blend category assigned by Morningstar for the 1-year, 3-year, 5-year, and 10-year periods, respectively, ended December 31, 2016 while the Sharpe Ratio for RMT placed in the 2nd, 4th, 4th, and 4th quartiles within the Small Blend category assigned by Morningstar for the 1-year, 3-year, 5-year, and 10-year periods, respectively, ended December 31, 2016. The relevant Boards further noted that the use of leverage by each of RVT and RMT through preferred stock (prior to November 15, 2012) and borrowings resulted in higher volatility and worse down market performance.

The 2016 market environment also enabled RGT to outperform its peers in 2016 as evidenced by its Sharpe Ratio. Using Morningstar data, the Sharpe Ratio for RGT in the 1st and 2nd quartiles within the Foreign Small/Mid Value category assigned by Morningstar for the 1-year and 3-year periods, respectively, ended December 31, 2016. The Board noted the inherent limitations of using 1-year and 3-year Sharpe Ratios in evaluating RGT's investment performance.

In addition to each Fund's risk adjusted performance, the Boards also reviewed and considered the absolute total returns and down market performance for each Fund and the long-term performance records of each of RVT and RMT for periods of 10 years and longer. The Boards further noted that R&A manages a number of funds that invest in micro-cap, small-cap, and mid-cap issuers, many of which had outperformed

## Board Approval of Investment Advisory Agreements (continued)

their benchmark indexes and their competitors during the periods prior to the U.S. Federal Reserve's near zero interest rate policy and related market interventions and during 2016 as noted above. Although each Board recognized that past performance is not necessarily an indicator of future results, it found that R&A had the necessary qualifications, experience and track record in managing micro-cap, small-cap, and mid-cap securities to manage the relevant Fund. Each Board determined that R&A continued to be an appropriate investment adviser for the relevant Fund and concluded that the relevant Fund's performance supported the approval of the continuance of its Investment Advisory Agreement.

### **Cost of the services provided and profits realized by R&A from its relationship with the Funds:**

Each Board considered the cost of the services provided by R&A and profits realized by R&A from its relationship with each Fund. As part of the analysis, each Board discussed with R&A its methodology in allocating its costs to each Fund and concluded that its allocations were reasonable. The RVT Board noted that RVT was not profitable to R&A during the year ended December 31, 2016. The Boards of RMT and RGT concluded that R&A's profits in respect of RMT and RGT, respectively, were reasonable in relation to the nature and quality of services provided.

### **The extent to which economies of scale would be realized as the Funds grow and whether fee levels would reflect such economies of scale:**

Each Board considered whether there have been economies of scale in respect of the management of each Fund, whether each Fund has appropriately benefited from any economies of scale and whether there is potential for realization of any further economies of scale. Each Board noted the time and effort involved in managing portfolios of micro-, small- and mid-cap stocks and that they did not involve the same efficiencies as do portfolios of large-cap stocks. The directors noted that, as closed-end funds, the Funds generally would not be expected to have significant inflows of capital that might produce increasing economies of scale. Each Board concluded that the current fee structure for each Fund was reasonable, that stockholders sufficiently participated in economies of scale and that no changes were currently necessary.

### **Comparison of services to be rendered and fees to be paid to those under other investment advisory contracts, such as contracts of the same and other investment advisers or other clients:**

Each Board reviewed the investment advisory fee paid by each Fund and compared both the services to be rendered and the fees to be paid under the Investment Advisory Agreements to other contracts of R&A and to contracts of other investment advisers to registered investment companies investing in small- and micro-cap stocks, as provided by Morningstar. Each Board noted the importance of the net expense ratio in measuring a fund's efficiency, particularly in light of the variations in the mutual fund industry as to which entity is responsible for particular types of expenses. In the case of RVT, its Board noted that it had a 1.00% basic fee that is subject to adjustment up or down (up to 0.50% in either direction) based on its performance versus the S&P 600 SmallCap Index over a rolling period of 60 months. The fee is charged on average net assets over that rolling period. As a result, in a rising market, the fee will be smaller than a fee calculated on the current year's average net assets, and vice versa. The Board determined that the performance adjustment feature continued to serve as an appropriate incentive to R&A to manage RVT for the benefit of its long-term common stockholders. The Board also noted that the fee arrangement, which also includes a provision for no fee in periods where RVT's trailing three-year performance is negative, requires R&A to measure RVT's performance monthly against the S&P 600, an unmanaged index. Instead of receiving a set fee regardless of its performance, R&A is penalized for poor performance. The Board noted that RVT's net expense ratio of 0.73% placed it in the 1st quartile within its Morningstar peer group for 2016. In the case of RMT, the Board noted that it also had a 1.00% basic fee subject to adjustment up or down based on its performance versus the Russell 2000 Index over a rolling 36 month period. The fee is charged on average net assets over that rolling period. As a result, in a rising market, the fee will be smaller than a fee calculated on the current year's average net assets, and vice versa. The Board determined that the performance adjustment feature continued to serve as an incentive to R&A to manage RMT for the benefit of its long-term common stockholders. The Board noted that RMT's net expense ratio of 1.26% placed it in the 2nd quartile when compared against its Morningstar peer group for 2016. The Board further noted that RMT's net expense ratio was actually 2 basis points lower than its peer group median and 15 basis points lower than the average expense ratio for the 44 non-institutional, non-ETF domestic funds with weighted average market capitalizations of less than \$1 billion within the Morningstar peer group. Finally, in the case of RGT, the Board noted that its net expense ratio based on average net assets fell within the 4th quartile of its Morningstar peer group, 46 basis points above the Morningstar category median. The Board noted, however, that RGT had the third lowest weighted average market capitalization within that category.

The Boards also noted that R&A manages the Funds in an active fashion. The industry accepted metric for measuring how actively an equity portfolio is managed is called "active share." In particular, active share measures how much the holdings of an equity portfolio differ from the holdings of its appropriate passive benchmark index. At the extremes, a portfolio with no holdings in common with the benchmark would have 100% active share, while a portfolio that is identical to the benchmark would have 0% active share. R&A presented a chart to the Boards which demonstrated that funds with high active share scores had higher

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expense ratios than funds with lower active share scores due to the resources required for the active management of those funds. The Boards noted that the active shares for RVT, RMT, and RGT were 89%, 95%, and 97%, respectively, for the calendar year ended December 31, 2016.

Each Board also considered fees charged by R&A to institutional and other clients and noted that, given the greater levels of services that R&A provides to registered investment companies such as the Funds as compared to other accounts, the base investment advisory fee for RVT and RMT and the advisory fee for RGT compared favorably to the investment advisory fees charged to those other accounts.

No single factor was cited as determinative to the decision of the directors. Rather, after weighing all of the considerations and conclusions discussed above, each entire Board, including all of the non-interested directors, approved the continuation of the relevant Investment Advisory Agreement, concluding that the continuation of such agreements was in the best interest of the shareholders of the respective Funds and that each Fund's investment advisory fee rate was reasonable in relation to the services provided.

## 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 June 30, 2017, 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 June 30, 2017 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 2000 Value and Growth Indexes consist of the respective value and growth stocks within the Russell 2000 as determined by Russell Investments. 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 Priceto-Book, or P/B, Ratio is calculated by dividing a company's share price by its book value per share. For the Morningstar Small Blend Category: © 2017 Morningstar. All Rights Reserved. The information regarding the category in this piece is: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. 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 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, LLC.

### 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



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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 Global Value Trust, Royce Micro-Cap Trust, and Royce 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, 2017. 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 Global Value Trust, Royce Micro-Cap Trust, and Royce 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 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, 2016, 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).

About The

## Royce Funds Contact Us

### **Unparalleled Knowledge + Experience**

Pioneers in small-cap investing, with 40+ years of experience, depth of knowledge, and focus.

### **GENERAL INFORMATION**

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

**(800) 221-4268**

### **Independent Thinking**

The confidence to go against consensus, the insight to uncover opportunities others might miss, and the tenacity to stay the course through market cycles.

### **COMPUTERSHARE**

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

Speak with a representative about:

Your account, transactions, and forms

**(800) 426-5523**

**Specialized Approaches**

Strategies that use value, core, or growth investment approaches to select micro-cap, small-cap, and mid-cap companies.

**FINANCIAL ADVISORS AND BROKER-DEALERS**

Speak with your regional Royce contact regarding:  
Information about our firm, strategies, and Funds  
Fund Materials

**(800) 337-6923**

**Unwavering Commitment**

Our team of 17 portfolio managers have significant personal investments in the strategies they manage.

**Item 2. Code(s) of Ethics.** Not applicable to this semi-annual report.

**Item 3. Audit Committee Financial Expert.** Not applicable to this semi-annual report.

**Item 4. Principal Accountant Fees and Services.** Not applicable to this semi-annual report.

**Item 5. Audit Committee of Listed Registrants.** Not applicable to this semi-annual report.

**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.** Not applicable to this semi-annual report.

**Item 8. Portfolio Managers of Closed-End Management Investment Companies.** Not applicable to this semi-annual report.

**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.

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

(a)(1) Not applicable to this semi-annual report.

(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.

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/ Christopher D. Clark      **Christopher D. Clark**      **President**      Date: August 30, 2017

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/ Christopher D. Clark      BY: /s/ Peter K. Hoglund  
**Christopher D. Clark**      **Peter K. Hoglund**      **President**      **Chief Financial Officer**      Date: August 30, 2017      Date: August 30, 2017