ROYCE FOCUS TRUST INC
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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: 811-05379

Name of Registrant: Royce Focus Trust, Inc.

Address of Registrant: 745 Fifth Avenue

New York, NY 10151

Name and address of agent for service: John E. Denneen, Esquire

745 Fifth Avenue

New York, NY 10151

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

Date of fiscal year end: December 31

Date of reporting period: January 1, 2010   December 31, 2010

Item 1. Reports to Shareholders.

Royce Value Trust

Royce Micro-Cap Trust

Royce Focus Trust

ANNUAL REVIEW AND REPORT

TO STOCKHOLDERS

A Few Words on Closed-End Funds

Royce & Associates, LLC manages three closed-end funds: Royce Value Trust, the first small-cap value closed-end fund offering; Royce Micro-Cap Trust, the only micro-cap closed-end fund; and Royce Focus Trust, a closed-end fund that invests in a limited number of primarily small-cap companies.

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. This is in contrast to open-end mutual funds, in which the fund sells and redeems its shares on a continuous basis.

A Closed-End Fund Offers Several Distinct Advantages Not Available From An Open-End Fund Structure

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

- In a closed-end fund, not having to meet investor redemption requests or invest at inopportune times is ideal 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 more freely in less liquid portfolio securities because it is not subject to potential stockholder redemption demands. This is particularly beneficial for Royce-managed closed-end funds, which invest in small- and micro-cap securities.

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

- Unlike Royce's open-end funds, our closed-end funds are able to distribute capital gains on a quarterly basis. In January 2011, the Funds announced the resumption of the quarterly distribution policies for their common stock, at a 5% annual rate, beginning in March 2011. As of December 31, 2010, each Fund had fully utilized its capital loss carryforwards for federal income tax purposes, allowing the managed distribution policies to be reinstated. Please see page 18-19 for more details.

We believe that the closed-end fund structure is very suitable for the long-term investor who understands the benefits of a stable pool of capital.

Why Dividend Reinvestment Is Important

A very important component of an investor's total return comes from the reinvestment of distributions. By reinvesting distributions, our investors can maintain an undiluted investment in a Fund. To get a fair idea of the impact of reinvested distributions, please see the charts on pages 13, 15 and 17. For additional information on the Funds' Distribution Reinvestment and Cash Purchase Options and the benefits for stockholders, please see page 19 or visit our website at www.roycefunds.com.

This page is not part of the 2010 Annual Report to Stockholders

Table of Contents

Annual Review

Performance Table 2

Letter to Our Stockholders 3

Postscript: Style Points 9

Small-Cap Market Cycle Performance 10

2010: The Year in Quotes Inside Back Cover

Annual Report to Stockholders 11

For more than 35 years, we have used a value approach to invest in small-cap securities. We focus primarily on the quality of a company's balance sheet, its ability to generate free cash flow and other measures of profitability or sound financial condition. We then use these factors to assess the company's current worth, basing the assessment on either what we believe a knowledgeable buyer might pay to acquire the entire company, or what we think the value of the company should be in the stock market.

Performance Table

NAV Average Annual Total Returns

Through December 31, 2010

	Royce Value Trust	Royce Micro-Cap Trust	Royce Focus Trust	Russell 2000
Fourth Quarter 2010*	16.68%	17.66%	18.32%	16.25%
One-Year	30.27	28.50	21.79	26.86
Three-Year	0.81	0.88	2.41	2.22
Five-Year	5.16	4.82	6.91	4.47
10-Year	8.77	10.25	11.80	6.33
15-Year	10.70	10.89	n.a.	7.64
20-Year	12.65	n.a.	n.a.	10.83
Since Inception	11.06	11.19	11.56	
Inception Date	11/26/86	12/14/93	11/1/96**	—

* Not annualized

** Date Royce & Associates, LLC assumed investment management responsibility for the Fund.

Important Performance and Risk Information

All performance information in this *Review and Report* reflects past performance, is presented on a total return basis and reflects the reinvestment of distributions. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate, so that shares may be worth more or less than their original cost when sold. Current performance may be higher or lower than performance quoted. Current month-end performance may be obtained at www.roycefunds.com. The Royce Funds invest primarily in securities of micro-cap, small-cap and mid-cap companies, which may involve considerably more risk than investments in securities of larger-cap companies.

Letter to Our Stockholders

Into The Great Wide Open

The stock market enjoyed a very good year in 2010. In a normal year, this would be an unremarkable observation, perhaps one not even worth making, at least not as a statement on its own. Twenty-ten, however, was no normal year, even applying the most generous range to that modifier. One could even argue that the mostly terrific results for equities were one of the major symptoms of the year's glaring lack of normalcy. Consider the fact that equity markets across the globe did all right to very well in the midst of ongoing economic uncertainty not just here in the United States, but in fellow economic heavyweights China and Europe as well.

The nature and direction of that uncertainty is also worth noting, as it took on a generally western drift and included crises some real, others perceived and a few arguably exaggerated in each of the aforementioned locales. It began early in 2010 with an economic slowdown in China, which hurt hard asset prices everywhere while sending a chill through most of the world's capital markets. By spring, it had rolled into Europe in the form of the sovereign debt crisis before blowing across the Atlantic in the summer with fears of a double-dip recession in the U.S. The prospect of crisis then drifted back to China early in the autumn with attempts by the Chinese government to slow the nation's economy, before again lingering in Europe later in the fall with another sovereign debt problem, this time in Ireland.

Interestingly, and perhaps tellingly, the world's equity markets began to shake off these events, or their possible materialization, in July. Share prices mostly climbed from that

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Charles M. Royce, President

Here at Royce, we have consistently applied a highly disciplined approach that surveys the entire universe of micro-cap, small-cap and mid-cap companies, striving to uncover mispriced and underappreciated businesses. Our experience over nearly four decades, a span encompassing multiple market and economic cycles, has given us a unique perspective into what makes companies grow, what can lead them to be overvalued and what makes them undervalued.

Our long-term perspective involves an attempt to understand what a business is worth and, consequently, what a private buyer might pay for the entire enterprise. In other words, we think like owners, not renters. So as holding periods have contracted of late, we find our thoughts more closely aligned with private equity investors who seek to buy entire companies because, like them, we evaluate the financial and business dynamics of an enterprise as if we were purchasing the entire company. Our goal is to buy businesses, not just stocks.

This business buyer's mentality has served us very well over the years as styles have gone in and out of favor,

Continued on page 6...

Letter to Our Stockholders

month through the end of the year, with the third and fourth quarters producing healthy, double-digit returns for most of the world's major indexes. So what happened to swing the mood of investors? **While clearly concerned about a repeat of 2008, even a more muted version, investors at the same time seemed to respond a little better to the news of each impending difficulty. They may have seen some of what we saw—companies that, since the financial crisis erupted in the fall of 2008, have been managing their businesses successfully, providing many pockets of strength in a domestic economy that was slowly and, at least in our estimation, surely recovering.**

So while serious problems remain—housing, unemployment, the sorry state of national, state and municipal balance sheets—we see better times ahead. At the same time, we accept that the coming year (and perhaps longer) represents something like uncharted territory. To some, the immediate future feels like the great wide open, a place where all of the uncertainty and contradictory signals create a free-falling sensation that lacks the solid footing one might otherwise expect two years' worth of strong market returns to supply. After breaking down the year's returns for the major indexes and *The Royce Funds* in this *Review and Report*, we'll make our case that we are on more solid ground than many think.

Breakdown

While the year ended well for most major equity indexes, results through the first half of the year were fairly dismal, with all of the major domestic and non-U.S. indexes posting negative returns. Following domestic market lows in early July, however, share prices began an ascent that took them through the end of the year, making 2010 the second consecutive year of double-digit positive performance for the three major U.S. indexes. Small-caps led the way by a substantial margin. **For the calendar year, the small-cap Russell 2000 gained 26.9%, the large-cap S&P 500 climbed 15.1% and the more tech-heavy Nasdaq Composite rose 16.9%.** (Although returns for the Russell Midcap index were also quite healthy, they lagged those of small-cap in 2010, with the Russell Midcap index up 25.5%.)

Each index's showing from the interim small-cap low on July 6, 2010—a period that coincided with the greatest anxiety over a double-dip recession—was particularly impressive. From that date through December 31, 2010 the Russell 2000 was up 33.6% versus respective gains of 23.6% and 26.7% for the S&P 500 and Nasdaq Composite. **The advantage for small-cap stocks during both the recent bull run and the year as a whole was sealed during the fourth quarter, when the Russell 2000 was up 16.3% versus respective gains of 10.8% and 12.0% for the larger-cap S&P 500 and Nasdaq Composite. Better relative first-half performance was also a factor, as the small-cap index lost less than its larger siblings through the first six months of 2010.** As welcome and strong as 2010's returns were, the three U.S. indexes remained shy of their respective peaks, though the Russell 2000, only 3.8% off its previous peak on July 13, 2007, came closest to setting a new market cycle high. The S&P 500 finished the year 13.6% shy of its peak on October 9, 2007, while the Nasdaq has still not surpassed its peak from March 10, 2000 and ended the year 47.5% off that high.

Non-U.S. indexes performed in line with their U.S. counterparts, though small-cap s edge was even more pronounced in 2010 than it was here at home. For the calendar year, the MSCI World (ex U.S.) Small Core index gained 24.5%, while the MSCI EAFE index was up 7.8%. Both the small-cap and large-cap non-U.S. indexes were strong off the early July domestic small-cap low. From July 6, 2010 through December 31, 2010, the MSCI World (ex U.S.) Small Core index climbed 29.8%, and the MSCI EAFE index rose 21.3%. Three-year average annual returns for both overseas indexes were negative, as they were for the S&P 500. The Nasdaq was essentially flat for the three-year period ended December 31, 2010, while the Russell 2000 gained 2.2%. **For the five-year period ended December 31, 2010, the two non-U.S. and three domestic indexes were all positive, with the Russell 2000 and MSCI World (ex U.S.) Small Core index in the lead, followed by the S&P 500, the MSCI EAFE and the Nasdaq.**

Our work was showing many pockets of strength in the economy that accelerated throughout the year, businesses that were benefiting from the decline of the dollar, and renewed activity in many sectors and industries. So the market s strength through much of 2010 was not a surprise to us.

Within small-cap, growth continued its leadership, outperforming value in 2010. The Russell 2000 Value index rose 24.5% compared to a gain of 29.1% for the Russell 2000 Growth index. Small-cap growth also held an edge for the five-year period ended December 31, 2010, while annualized periods of 10 years or more saw a sizeable edge for small-cap value. Micro-cap companies performed even better in the calendar year, with the Russell Microcap index up 28.9% in 2010. As was the case with small-cap, growth provided an edge relative to value within the Russell Microcap index for the calendar-year period.

Good Enough

Accepting that there is more to portfolio management and life than beating a benchmark, we were very satisfied with performance as a whole for the three close-end funds featured in this *Annual Review and Report.* **We were especially pleased with two developments: All three of our Funds performed very well on a relative basis in 2010 s lone significant correction, the period from the interim small-cap high on April 23, 2010 through the interim small-cap low on July 6, 2010. More importantly, each Fund finished the year with strong returns on an absolute basis.** The two are not unrelated in our view. Key to our disciplined value ethos is the idea that not losing money is as critical as making it.

Relative results for the calendar year were also strong, with Royce Value Trust and Royce Micro-Cap Trust outpacing the Russell 2000 for the calendar-year period on both an NAV (net asset value) and market price basis. All three of our closed-end portfolios also outpaced the Russell 2000 for the five-year and 10-year periods ended December 31, 2010 on an NAV basis. Factoring in the Funds strong down market results, absolute calendar-year returns and generally better

We suspect that the reign of high-beta, often low-quality companies is likely to end soon, usurped by companies with characteristics such as high returns on invested capital, free cash flow generation and dividends.

many times driven by economic cycles. Our analytical work centers first on evaluating what a business is worth today, in recognition of the fact that it is a far more difficult proposition to discern what a business will be worth in the future. Once we have appropriate conviction on the value of an enterprise, we then establish a share price that we are willing to pay that discounts a required rate of return on our capital and adds additional margin for our inevitable mistakes. Generally speaking, we target a discount of at least 30% and preferably 50% below our assessment of a business's worth. This would translate into a 44%-100% return on our investment in the event that our share price objective is met.

So what differentiates a business buyer's analysis from the traditional approach more concerned with earnings growth? First and most importantly, the business is measured over a long-term period and not on financial results from one quarter or even one year. Businesses tend not to change overnight. However, we know from experience that their stock prices certainly can.

Measuring the profitability of a business is not a novel idea, but it's a task that we perform diligently in an attempt to understand the quality and sustainability of a business. Return on Invested Capital (ROIC), Return on Assets (ROA) and Free Cash Flow are our favored metrics, but they are obviously just numbers that are readily available to everyone and,

Continued on page 8...

Letter to Our Stockholders

longer-term performance records versus their benchmark, we were pleased with overall returns for the calendar year. The strong performance by the Funds allowed their Board to announce in January 2011, the resumption of their managed distribution policy, at a 5% annual rate, commencing in March 2011.

Within the small-cap market as a whole, stocks in the energy and technology sectors were the top performers in 2010, according to data from Russell Investments. Although we organize our own sector and industry breakdowns a little differently than Russell, we saw strength in similar areas, namely our own Technology, Industrial Products and Natural Resources sectors. Net gains for the latter sector were driven by several precious metals and mining companies as well as many energy services stocks. Taken as a whole, the portfolios also had a lot of success with investments in the Industrial Services, Financial Services and Consumer Products sectors. In fact, there were net contributors in nearly all sector and industry group, another testament to the depth and breadth of the market's recovery.

Long After Dark

As wonderful as it was to see a second straight year of terrific equity returns, particularly coming off the financial collapse of late 2008-early 2009, the issue remains that the market rose markedly in a period of intense economic anxiety, which has engendered a host of questions about how and why this happened. It puts us in mind of the old adage that the market climbs a wall of worry. It also dovetails nicely with the notion that the market is almost always looking ahead a few years, which, if nothing else, makes it clear that investors were more optimistic about the global economy than many others.

In fact, both of those ideas define what happened in 2010 pretty well. Looking more closely, we think what happened was that the media focused on a narrow set of economic news, namely deficits, housing and unemployment, and missed much of what was going on elsewhere in the economy. **For months, the dominant stories were budget woes, foreclosures and jobless claims. While these are undoubtedly serious problems, they also offer very narrow lenses through which to view the economy, whether that of the U.S. or the world.** Our own work was showing many pockets of strength in the economy that accelerated throughout the year, businesses that were benefiting from the decline of the dollar, and renewed activity in many sectors and industries. So the market's strength through much of 2010 was not a surprise to us.

If not for those worrisome problems just mentioned, the success of the market in 2010 would be a very different kind of story. However, we remain convinced that what took place in equities last year was simply the historical advantage that small-caps have typically enjoyed coming out of recessions. They are often thought of as being more nimble and thus more responsive to economic events, and 2010 represents to us the latest phase in the post-recession recovery for stocks that began after the market low in March 2009. Of course, the world is not as complacent as it was in the middle part of the decade. Much of the wariness about the recent bull market is symptomatic of the generally more cautious attitude that many people now possess. **As value investors, we are always all for caution, but we see the intelligence with which so many companies have managed themselves over the last two or three years as more meaningful than the economic problems we are currently laboring to solve. This is what inspires our confidence in the economy going forward.**

The Waiting

Returning to the more narrow sphere of stocks, we have noticed that the world seems to have been waiting for a while now for large-cap to post a pronounced gain in performance at the expense of their small-cap counterparts. As of this writing, this grand shift to large-cap leadership has not materialized. From our somewhat biased perspective, we do not see it coming soon, though we do see what we regard as an important change in the market. As indiscriminately good as most of the last 22 months have been for stocks, we suspect that the reign of high-beta, often low-quality companies is likely to end soon, usurped by companies with characteristics such as high returns on invested capital, free cash flow generation and dividends. These elements are more likely to determine leadership than market capitalization. So while it would not be surprising to see large-cap enjoying periods of outperformance in the months to come, we do not expect the spread to be significant. **We believe that the days of wide divergence between small-cap and large-cap, such as we saw in the '90s, are over, at least for the intermediate term.**

As long-established believers in reversion to the mean, we think that the decade ahead should be a positive one for stocks if for no other reason than that the previous one was so difficult. We also see the next few years as something of a reverse of the previous two—our expectation is that the economy will heat up and grow more quickly than the stock market. While we remain essentially confident about the long-

Overall, our outlook is fairly positive. Corrections in the 10% or greater range should create opportunities for us on a global scale. We think that returns will remain positive and that volatility will remain a presence which we seek to use to our advantage in the months and years ahead.

on their own, only reveal so much. While each plays an important part in determining a company's valuation, it is ultimately the subjective assessment of an enterprise that tests our analytical acumen.

Enterprise Conviction (EC) is a proprietary methodology that we developed at Royce to isolate our assessment of conviction in the quality of a business from its valuation. We have developed core tenets designed to reveal the structure of the company's market, the sustainable or competitive edge that it possesses, its future prospects, and the ability of the management team to guide the business going forward.

Importantly, this combination of Enterprise Conviction backed up by traditional analytics has also created a consistent approach to our interactions with company management teams. Meeting and interviewing the key leaders of a business is a critical part of Royce's business evaluation process. Using our specialized process offers a measure of protection against common investor pitfalls such as "value traps," commitment bias or allowing an interesting management story to morph into investment conviction. At Royce, our process centers on uncovering the worth of a business, not on what its stock may do in the near term. By establishing conviction about our knowledge of an entire enterprise, we can more easily assess the financial opportunities, weigh the risks of investment, and determine an appropriate price to pay.

Letter to Our Stockholders

term prospects for stocks, we do not see the kind of returns on an annualized basis that we saw in 2009 and 2010 and instead see annualized returns in the high single digits for the decade as a whole. **There should be a lot of differentiation and an ample number of corrections, some of them, like 2010's spring-summer downturn, more than capable of temporarily suspending investors' confidence. We view this as a near-ideal environment for disciplined and discriminating stock pickers such as ourselves.** Overall, then, our outlook is fairly positive. Corrections in the 10% or greater range should create opportunities for us on a global scale. We think that returns will remain positive and that volatility will remain a presence which we seek to use to our advantage in the months and years ahead.

Sincerely,

Charles M. Royce *President*	W. Whitney George *Vice President*	Jack E. Fockler, Jr. *Vice President*

January 31, 2011

We dedicate this Review and Report to the memory of our beloved partner and colleague, Denis Fitzgerald, who passed away in February. Denis was a valued member of our marketing and research teams and contributed immeasurably to the production and design of our materials. He worked alongside of us for nearly 22 years. His commitment to our firm and its betterment were unsurpassed. His energy and spirit not only define our firm, but will remain with us forever.

Style Points

It is impossible to produce superior performance unless you do something different from the majority.
Sir John Templeton

Every active manager needs an edge. There needs to be something dynamic and at least somewhat unique about the security selection process that sets their portfolios apart. This is especially true if their goal as it is for us here at *The Royce Funds* is to generate strong absolute long-term returns. The quote above from Sir John Templeton illustrates this perfectly. How any superior performance is produced, however, is another matter.

After all, the world is full of ostensibly great investment approaches, seemingly sound strategies and apparently foolproof methods for making money in the stock market. Yet these techniques do not always accomplish what they set out to do. With this in mind, it seems to us that the key questions are, how does one establish a long-term performance edge? How does a manager do something differently from the majority, and do it successfully?

These questions have only grown in importance over the last three years, as the world just barely avoided a collapse of the global financial system late in 2008 and has been struggling to create a more lasting recovery ever since. The difficulties of the more recent period further validate the importance of measuring performance over full market cycles (or rolling five- and 10-year periods), spans that include both up and down phases. On those scores, a close look at page 10 will provide the market cycle returns for several Royce Funds and their showings against their respective benchmarks.

The success that we have enjoyed over these periods is the result of three closely related elements. The first two relate to how we look at companies. First, we use a time tested approach that most commonly focuses on strong balance sheets, high returns on invested capital and a record of success as a business. Second, we pay very close attention to risk at multiple levels. While most managers focus chiefly on potential returns, we devote at least equal and sometimes more attention to the risk side of the equation. Our contention is that failing to do so can erode, or even destroy, long-term returns.

Combined with this is an equally important third factor: our managers willingness to stick to their respective approaches, regardless of market movements and trends. Adhering to the discipline is as vital to our success as the approach itself. This is especially relevant during market extremes such as those we have seen over the last several years.

For us, the security selection process and the discipline and commitment to stick with it are inextricably bound together. Our goal is always to grow capital. While we enjoy besting benchmarks as much as any active asset manager, our focus is never on beating the market. When it happens, we see it only as a happy byproduct of the successful execution of our investment discipline. Our Funds seek to help investors build wealth as consistently, and with as little volatility, as possible within our investment universe. Without the requisite discipline, such a goal could not be reached. Our approach and our unshakeable commitment to it are the vital things that we believe have helped us to separate our Funds from the portfolio pack.

Our Funds seek to help investors build wealth as consistently, and with as little volatility, as possible within our investment universe. Without the requisite discipline, such a goal could not be reached. Our approach and our unshakeable commitment to it are the vital things that we believe have helped us to separate our Funds from the portfolio pack.

Small-Cap Market Cycle Performance

We believe strongly in the idea that a long-term investment perspective is crucial for determining the success of a particular investment approach. Flourishing in an up market is wonderful. Surviving a bear market by losing less (or not at all) is at least as good. However, the true test of a portfolio's mettle is performance over full market cycle periods, which include both up and down market periods. We believe that providing full market cycle results is more appropriate even than showing three- to five-year standardized returns because the latter periods may not include the up and down phases that constitute a full market cycle.

Since the Russell 2000's inception on 12/31/78, value—as measured by the Russell 2000 Value index outperformed growth as measured by the Russell 2000 Growth index in six of the small-cap index's eight full market cycles. The most recently concluded cycle, which ran from 3/9/00 through 7/13/07, was the longest in the index's history, and represented what we believe was a return to more historically typical performance in that value provided a significant advantage during its downturn (3/9/00 - 10/9/02) and for the full cycle. In contrast, the new market cycle that began on 7/13/07 has so far favored growth over value, an unsurprising development when one considers how thoroughly value dominated growth in the previous full cycle.

For the full cycle, value provided a sizeable margin over growth, which finished the period with a loss. Each of our closed-end funds held a sizeable performance advantage over the Russell 2000 on both an NAV (net asset value) and market price basis. On an NAV basis, Royce Focus Trust (+264.2%) was our best performer by a wide margin, followed by Royce Micro-Cap Trust (+175.9%) and Royce Value Trust (+161.3%). The latter two funds in particular benefited from their use of leverage during this, as well as in subsequent bullish periods.

Peak-to-Current (7/13/07-12/31/10)

During the difficult, volatile decline that ended 3/9/09, both value and growth posted similarly negative returns. Events in the financial markets immediately preceding the end of 2008's third quarter caused the Russell 2000 to decline significantly. After a brief rally at the end of 2008, the index continued to fall, though it has since recovered significantly, gaining 134.0% from 3/9/09 through 12/31/10.

Royce Focus Trust narrowly outperformed the index during the decline, while all three closed-end funds outpaced the Russell 2000 during the rally from 3/9/09 through 12/31/10.

ROYCE FUNDS NAV TOTAL RETURNS VS. RUSSELL 2000 INDEX: MARKET CYCLE RESULTS

	Peak-to-Peak 3/9/00-7/13/07	Peak-to-Trough 7/13/07-3/9/09	Trough-to-Current 3/9/09-12/31/10	Peak-to Current 7/13/07-12/31/10
Russell 2000	**54.8%**	**-58.9%**	**134.0%**	**-3.8%**
Russell 2000 Value	**189.4**	**-61.1**	**134.2**	**-9.0**
Russell 2000 Growth	**-14.8**	**-56.8**	**133.6**	**1.0**
	161.3	-65.6	176.7	-4.7

Royce Value Trust				
Royce Micro-Cap Trust	175.9	-66.3	174.9	-7.4
Royce Focus Trust	264.2	-58.3	138.3	-0.5

Past performance is no guarantee of future results. See page 2 for important performance information for all of the above funds.

Table of Contents

Annual Report to Stockholders

Managers' Discussions of Fund Performance

Royce Value Trust 12

Royce Micro-Cap Trust 14

Royce Focus Trust 16

History Since Inception 18

Distribution Reinvestment and Cash Purchase Options 20

Schedules of Investments and Other Financial Statements

Royce Value Trust 21

Royce Micro-Cap Trust 37

Royce Focus Trust 51

Directors and Officers 61

Notes to Performance and Other Important Information 62

AVERAGE ANNUAL NAV TOTAL RETURNS

Through 12/31/10

July-Dec 2010*	34.34%
One-Year	30.27
Three-Year	0.81
Five-Year	5.16
10-Year	8.77
15-Year	10.70
20-Year	12.65
Since Inception (11/26/86)	11.06

*Not annualized

CALENDAR YEAR NAV TOTAL RETURNS

Year	RVT	Year	RVT
2010	30.3%	2000	16.6%
2009	44.6	1999	11.7
2008	-45.6	1998	3.3
2007	5.0	1997	27.5
2006	19.5	1996	15.5
2005	8.4	1995	21.6
2004	21.4	1994	0.1
2003	40.8	1993	17.3
2002	-15.6	1992	19.3
2001	15.2	1991	38.4

TOP 10 POSITIONS

% of Net Assets Applicable to Common Stockholders

Rofin-Sinar Technologies	1.0%
Oil States International	1.0
HEICO Corporation	0.9
Nordson Corporation	0.9
Coherent	0.8
Sapient Corporation	0.8
Newport Corporation	0.8
E-L Financial	0.8
Alleghany Corporation	0.8
Woodward Governor	0.8

PORTFOLIO SECTOR BREAKDOWN
% of Net Assets Applicable to Common Stockholders

Industrial Products	22.8%
Technology	17.9
Industrial Services	13.1
Natural Resources	11.4
Financial Services	10.3
Financial Intermediaries	9.7
Consumer Products	6.5
Health	5.7
Consumer Services	4.5
Diversified Investment Companies	0.8
Miscellaneous	5.0
Bond and Preferred Stocks	0.1
Cash and Cash Equivalents	12.1

Royce Value Trust

Manager's Discussion

In 2010, Royce Value Trust (RVT) was up 30.3% on an NAV (net asset value) basis and 35.1% on a market price basis, on each front outperforming both of its small-cap benchmarks, the Russell 2000, which rose 26.9%, and the S&P SmallCap 600, which climbed 26.3%, for the same period. As pleased as we were to beat each benchmark in 2010, we drew even more satisfaction from the Fund's strong absolute results on both an NAV and market price basis.

RVT enjoyed a particularly strong second half, participating fully in the market's powerful QE2-induced rally, which helped it overcome the effects of a lackluster first six months. Over this period, defined by sovereign debt concerns in Europe and renewed fears of a double-dip recession in the U.S., the Fund fell 3.0% on an NAV basis and lost 2.0% on a market price basis. During the third quarter, RVT rose 15.1% on an NAV basis and 14.9% on a market price basis, outpacing the Russell 2000, which was up 11.3%, and the S&P SmallCap 600, which gained 9.6%, for that same period. In the fourth quarter, when the bull run gained additional momentum, RVT rose 16.7% on an NAV basis and 20.0% on a market price basis, in both instances outpacing the small-cap indexes' respective gains of 16.3% and 16.2%.

The Fund lost less than its benchmarks on an NAV basis during the year's lone significant correction, while its market price return trailed. From the interim small-cap high on April 23, 2010 through the interim small-cap low on July 6, 2010, RVT lost 19.1% on an NAV basis and 21.1% on a market price basis compared to a loss of 20.3% for the Russell 2000 and 19.2% for the S&P SmallCap 600. The Fund beat the Russell 2000 on both bases over a longer-term market cycle period. From the March 9, 2009 market low through December 31, 2010, the Fund gained 176.7% on an NAV basis and 195.0% on a market price basis, while the Russell 2000 gained 134.0% and the S&P SmallCap 600 rose 133.8%. (Please see page 10 for the Fund's recent market cycle results.) RVT also outpaced the Russell 2000 and the S&P SmallCap 600 on an NAV basis for the five-, 10-, 15-, 20-year and since inception (11/26/86) periods ended December 31, 2010, and for each of these periods except the five-year span on a market price basis. **The Fund's NAV average annual total return since inception was 11.1%.**

GOOD IDEAS THAT WORKED
Top Contributors to 2010 Performance*

Sotheby's	0.81%
Oil States International	0.51
Hawkins	0.50
Newport Corporation	0.49
Value Partners Group	0.48

*Includes dividends

The negative sentiment that marked the first half of 2010 led to high levels of stock correlation and general outperformance of defensive sectors such as Health and Consumer Services. The Fed's decision near the end of the third quarter to initiate a second and

Important Performance and Risk Information

All performance information reflects past performance, is presented on a

total return basis and reflects the reinvestment of distributions. Past performance is no guarantee of future results. Current performance may be higher or lower than performance quoted. Returns as of the most recent month-end may be obtained at www.roycefunds.com. 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 microcap companies, which may involve considerably more risk than investing in a more diversified portfolio of larger-cap companies. The sum of all contributions and detractions for all securities would approximate the Fund's performance for 2010.

Performance and Portfolio Review

surprisingly robust round of quantitative easing markedly changed the trajectory of both the market and the relative performance of individual sectors. Risk taking was quickly back in vogue, leading to strong gains in the second half of the year that were driven by the more volatile and economically sensitive areas of the market.

Following a mixed picture at the halfway point in the year, all eleven of the Fund's equity sectors ended up contributing to the full year's gains. The three leading sectors were particularly impactful, comprising more than half of RVT's total return. Industrial Products, Technology and Natural Resources led the way followed by Industrial Services and Financial Services. Sotheby's, a leading auction house focusing on fine art, antiques, and other rare collectibles, as well as high-end residential real estate properties, was the leading individual gainer for the Fund. Benefitting from a resurgence of demand from traditional markets in the U.S. and Europe, in addition to an explosion of new demand from the rapidly growing Asia Pacific region, shares in this preeminent global brand doubled during the course of the year. Oil States International is a leading provider of specialty products and services to oil and gas drilling and exploration companies. Its share price jumped as a rising tide of increasing oil prices and subsequent high levels of demand for each of the company's four primary business units—accommodations, offshore products, tubular services and well site services led to high earnings and cash flow growth.

On the negative side, Corinthian Colleges was the Fund's worst performer. One of North America's largest post-secondary education companies, its share price fell dramatically as massive regulatory uncertainty led to a sharp decline in enrollments. We largely exited the position, maintaining only a small allocation due to an extremely attractive valuation and our long-term belief in the merits of the company's business model. Artio Global Investors, a global asset manager with products across both fixed income and equity asset classes, with primary emphasis in international equity funds, was another trouble spot. Given the substantial dislocation in Europe following the Greek debt crisis, Artio saw outflows and uneven performance in its core international funds. We remain optimistic about the firm's long-term potential as the international equity theme regains traction after the recent spike in risk aversion.

GOOD IDEAS AT THE TIME
Top Detractors from 2009 Performance*

Corinthian Colleges	-0.24%
Artio Global Investors Cl. A	-0.21
Bank of N.T. Butterfield & Son	-0.17
Wilmington Trust	-0.17
Central Steel & Wire	-0.14

*Net of dividends

MARKET PRICE PERFORMANCE HISTORY SINCE INCEPTION (11/26/86) through 12/31/10

Annual distribution totals as indicated

FUND INFORMATION AND PORTFOLIO DIAGNOSTICS

Average Market Capitalization*	$1,366 million
Weighted Average P/E Ratio**	17.9x
Weighted Average P/B Ratio	2.0x
U.S. Investments (% of Net Assets applicable to Common Stockholders)	86.9%
Non-U.S. Investments (% of Net Assets applicable to Common Stockholders)	20.9%
Fund Total Net Assets	$1,326 million
Net Leverage	8%
Turnover Rate	30%
Number of Holdings	607
Symbol Market Price NAV	 RVT XRVTX

*Geometrically calculated

**The Fund's P/E ratio calculation excludes companies with zero or negative earnings (10% of portfolio holdings as of 12/31/10).

[1]Net leverage is the percentage, in excess of 100%, of the total value of equity type investments, divided

by net assets applicable to Common Stockholders.

CAPITAL STRUCTURE

Publicly Traded Securities Outstanding
at 12/31/10 at NAV or Liquidation Value

66.0 million shares of Common Stock	$1,106 million
5.90% Cumulative Preferred Stock	$220 million

DOWN MARKET PERFORMANCE COMPARISON

All Down Periods of 7.5% or Greater
Over the Last 10 Years, in Percentages(%)

AVERAGE ANNUAL NAV TOTAL RETURNS

Through 12/31/10

July-Dec 2010*	30.55%
One-Year	28.50
Three-Year	0.88
Five-Year	4.82
10-Year	10.25
15-Year	10.89
Since Inception (12/14/93)	11.19

* Not annualized

CALENDAR YEAR NAV TOTAL RETURNS

Year	RMT	Year	RMT
2010	28.5%	2001	23.4%
2009	46.5	2000	10.9
2008	-45.5	1999	12.7
2007	0.6	1998	-4.1
2006	22.5	1997	27.1
2005	6.8	1996	16.6
2004	18.7	1995	22.9
2003	55.5	1994	5.0
2002	-13.8		

TOP 10 POSITIONS

% of Net Assets Applicable to Common Stockholders

Kennedy-Wilson Holdings	1.5%
Sapient Corporation	1.4
Seneca Foods	1.2

Tennant Company	1.1
Epoch Holding Corporation	1.0
Flexsteel Industries	1.0
Patriot Transportation Holding	1.0
Richardson Electronics	0.9
SFN Group	0.9
Tejon Ranch	0.9

PORTFOLIO SECTOR BREAKDOWN
% of Net Assets Applicable to Common Stockholders

Industrial Products	22.2%
Technology	16.3
Industrial Services	12.4
Natural Resources	11.0
Financial Intermediaries	8.1
Health	7.5
Financial Services	6.9
Consumer Products	6.3
Consumer Services	4.3
Diversified Investment Companies	1.0
Miscellaneous	4.9
Preferred Stock	0.4
Cash and Cash Equivalents	18.0

Royce Micro-Cap Trust

Manager's Discussion

Following a blistering year for micro-cap stocks in 2009, we entered 2010 cautiously optimistic that this segment of the market would continue to produce solid, albeit more modest, absolute returns in the face of continued challenges in the areas of unemployment and housing in the U.S. Midway through the year, it appeared that these trouble spots, combined with fresh concerns surrounding the fiscal health of Europe and the impact of rapidly rising commodity prices, might challenge our constructive outlook. Our growing unease was dispelled in August when the Fed intervened once again in the capital markets with a second and surprisingly robust program of quantitative easing. Risk taking returned to fashion, leading to very strong second-half and full-year result for stocks broadly and micro-caps in particular.

In 2010, Royce Micro-Cap Trust (RMT) gained 28.5% on an NAV (net asset value) basis and 34.1% on a market price basis, on each front outperforming its small-cap benchmark, the Russell 2000, which rose 26.9% for the same period, and on an NAV basis just shy of the Russell Microcap index's gain of 28.9% for the same period. It is always satisfying to beat the benchmark, but we took even more satisfaction from the Fund's strong absolute results on both an NAV and market price basis. RMT was strong in the second half, especially in the torrid fourth quarter. This helped to alleviate the effects of an uninspiring first six months, in which the Fund lost 1.6% on an NAV basis and lost 0.4% on a market price basis. During the third quarter, RMT climbed 11.0% on an NAV basis and 12.7% on a market price basis, compared to the Russell 2000, which was up 11.3%, and the Russell Microcap index, which rose 7.8%, for that same period. In the fourth quarter, when the upswing gained momentum, RMT was up 17.7% on an NAV basis and 19.5% on a market price basis, in both instances outpacing the small-cap index's gain of 16.3%. The Russell Microcap index gained 19.4% during the same period.

GOOD IDEAS THAT WORKED
Top Contributors to 2010 Performance*

Geeknet	1.64%
Sapient Corporation	1.09
iGATE Corporation	1.04
SFN Group	0.81
Hawkins	0.68

*Includes dividends

The year saw one substantial correction. From the interim small-cap high on April 23, 2010 through the interim small-cap low on July 6, 2010, RMT lost 19.2% on an NAV basis and 21.4% on a market price basis, compared to a loss of 20.3% for its benchmark and 20.9% for the Russell Microcap index. However, the Fund beat both the Russell 2000 and the micro-cap index on both bases over a longer-term market cycle period. From the March 9, 2009 market low through December 31, 2010, the Fund gained 174.9% on an NAV basis and 190.7% on a market price basis, while the small-cap index gained 134.0% and the micro-cap index was up 139.7%. (Please see page 10 for the Fund's recent market cycle results.) RMT also outpaced the Russell 2000 on an NAV basis for the five-, 10-, 15-year and since inception (12/14/93) periods ended December 31, 2010, and for each of these

Important Performance and Risk Information

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securities would approximate the Fund's performance for 2010.

Performance and Portfolio Review

periods except the five-year span on a market price basis. **The Fund's NAV average annual total return since inception was 11.2%.**

All of the Fund's ten equity sectors contributed positively to the strong calendar-year result, with Technology and, to a lesser extent, Industrial Products leading the way. These sectors were followed by solid net gains for Natural Resources and Industrial Services. Indeed, it was the more economically sensitive segments of the market that responded most fully to the Fed's policy action as market participants began to embrace the notion that the U.S. economy was transitioning from a fragile recovery into a stable expansion. This shift in investor orientation was also reflected at the industry level, as leading gainers included commercial industrial services, IT services, precious metals and mining, software and machinery companies.

The top three individual performers all hailed from the portfolio's Technology sector. Geeknet, a favorite for reasons well beyond its name, took top billing as this network of e-commerce websites focused on technology-oriented professionals rolled out new product offerings that drove substantial revenue growth. Sapient was in second position as this leading business consulting and technology services firm was a direct beneficiary of improved technology and marketing spending from its corporate customers. Broadly speaking, capital spending was an important theme in the technology space as corporations became more comfortable with the economic environment and began to reinvest in crucial aspects of their business after a long period of belt tightening.

GOOD IDEAS AT THE TIME
Top Detractors from 2010 Performance*

Corinthian Colleges	-0.61%
Medical Action Industries	-0.45
Jinpan International	-0.42
FBR Capital Markets	-0.40
Charming Shoppes	-0.37

* Net of dividends

Willbros Group, an engineering and construction company serving primarily the oil and gas industry, fell sharply as concerns regarding project delays as a result of BP's oil well leak in the Gulf of Mexico weighed on the shares. With the company's limited direct exposure to offshore construction projects and attractive valuation, we used weakness earlier in the year to add to our position and subsequently trimmed a bit later on as the shares began to recover. Medical Action Industries was another disappointment for the year. This manufacturer of disposable surgical products experienced declining profit margins as resin costs—a primary input expense—escalated along with other commodity prices. The combination of a very attractive valuation with improved resin pricing later in the year encouraged us to add to our position.

MARKET PRICE PERFORMANCE HISTORY SINCE INCEPTION (12/14/93) through 12/31/10

Annual distribution totals as indicated

* Reflects the cumulative total return of an investment made by a stockholder who purchased one share at inception ($7.50 IPO), reinvested distributions as indicated and fully participated in the primary subscription of the 1994 rights offering.

** Reflects the actual market price of one share as it traded on the NYSE and, prior to 12/1/03, on Nasdaq.

FUND INFORMATION AND PORTFOLIO DIAGNOSTICS

Average Market Capitalization*	$324 million
Weighted Average P/B Ratio	1.6x
U.S. Investments (% of Net Assets applicable to Common Stockholders)	93.1%
Non-U.S. Investments (% of Net Assets applicable to Common Stockholders)	8.2%
Fund Total Net Assets	$371 million
Net Leverage**	1%
Turnover Rate	27%
Number of Holdings	340
Symbol	
Market Price	RMT
NAV	XOTCX

*Geometrically calculated

**Net leverage is the percentage, in excess of 100%, of the total value of equity type investments, divided by net assets applicable to Common Stockholders.

CAPITAL STRUCTURE

Publicly Traded Securities Outstanding at 12/31/10 at NAV or Liquidation Value

27.5 million shares of Common Stock	$311 million

6.00% Cumulative Preferred Stock	$60 million

DOWN MARKET PERFORMANCE COMPARISON

All Down Periods of 7.5% or Greater Over the Last 10 Years, in Percentages(%)

AVERAGE ANNUAL NAV TOTAL RETURNS
Through 12/31/10

Royce Focus Trust

Manager's Discussion

Royce Focus Trust (FUND) was up 21.8% on an NAV (net asset value) basis and 19.6% on a market price basis for the calendar-year period, in each case underperforming its small-cap benchmark, the Russell 2000, which rose 26.9% for the same period. Underperforming the benchmark in 2010 was just slightly discouraging, as the Fund posted strong absolute results on both an NAV and market price basis. FUND also enjoyed a strong second half, which helped to mitigate the effects of a frankly dismal first half, in which it fell 7.8% on an NAV basis and lost 9.3% on a market price basis. During the third quarter, the Fund was up 11.7% on an NAV basis and 11.0% on a market price basis, bookending the 11.3% return of the Russell 2000 for that same period. The rally gathered force between October and December, when FUND gained 18.3% on an NAV basis and 18.8% on a market price basis, in both instances outpacing the small-cap index's gain of 16.3%.

The Fund's NAV performance was stronger than both its market price showing and the return of the Russell 2000 during the year's lone significant correction. From the interim small-cap high on April 23, 2010 through the interim small-cap low on July 6, 2010, FUND lost 17.5% on an NAV basis and 21.5% on a market price basis compared to a loss of 20.3% for its benchmark. This pattern held during a longer-term market cycle period. From the March 9, 2009 market low through December 31, 2010, the Fund gained 138.3% on an NAV basis and 122.0% on a market price basis while the small-cap index gained 134.0%. (Please see page 10 for the Fund's recent market cycle results.) FUND also outpaced the Russell 2000 on an NAV basis for the three-, five-, 10-year and since inception of our management (11/1/96) periods ended December 31, 2010, and for each of these periods except the three-year span on a market price basis. **The Fund's NAV average annual total return since inception was 11.6%.**

GOOD IDEAS THAT WORKED
Top Contributors to 2009 Performance*

Trican Well Service	1.41%
Pan American Silver	1.34
Major Drilling Group International	1.32
Mosaic Company (The)	1.21
Sprott	1.19

*Includes dividends

The Natural Resources sector dominated in 2010, with net gains more than double that of Industrial Products, the Fund's second-best performing sector that posted a sizable contribution in its own right. The largest industry group in Natural Resources precious metals and mining stocks mirrored the superior results of its home sector in 2010. Our interest in gold and silver miners goes back several years, when we began to build positions in mining companies that looked attractively undervalued in an industry that we suspected was due to rebound after a long period in the doldrums. Our conviction was actually strengthened by the financial catastrophes of late 2008-early 2009, when commodity prices went into freefall and we began to see the increasing likelihood of inflation, events that led us to build several positions in the industry. As metals prices climbed through much of 2009

Important Performance and Risk Information

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Performance and Portfolio Review

and 2010, the stock prices of many portfolio holdings did the same. Pan American Silver is a Canadian company with seven operating mines and others in development in Mexico, Peru and Bolivia. A key test for mining companies is how well they handle the transition from the exploration for metals to their production, and in our view, Pan American handled the transition very effectively.

In the energy services group, long-time favorite Trican Well Service, a Canadian oil well services business, saw the benefits of rising energy prices and increased demand for its services. A company that we have held in the portfolio since 2004, the company has a growing specialty in providing pressure-pumping fluids that allow for more wide-ranging well fracturing, a service in particularly high demand in natural gas shale exploration. We see Trican as very well-positioned to compete in the post-BP disaster world, which helps to explain its place as one of the Fund's fifteen largest holdings at the end of 2010. We were initially drawn to the management and low-debt balance sheet of Major Drilling Group International, a holding that perfectly exemplifies the strength of the second-half rally it was one of FUND's top detractors through June 30, 2010. The company, which provides specialized contract drilling services for metals miners, suffered through reduced levels of activity from larger mining companies late in 2009. As activity began to pick up early in 2010, the company offered an optimistic outlook that at first was largely ignored. Better-than-expected earnings for the second quarter of fiscal 2011 were reported early in December, helping to fuel its surge through the end of the year.

On the losing side, we sold our shares in Artio Global Investors, a New York City-based asset management business. We have historically liked companies in this industry and were also drawn to Artio's impressive long-term track record with non-U.S. equities. However, the performance of its two flagship international funds continued to lag in 2010, increasing fund outflows and driving down the company's share price. We also parted ways with Silver Standard Resources as it proved to be much better at exploration than production.

GOOD IDEAS AT THE TIME
Top Detractors from 2010 Performance*

Artio Global Investors Cl. A	-0.70%
Silver Standard Resources	-0.65
Gammon Gold	-0.63
ProShares UltraShort 20+ Year Treasury	-0.59
U.S. Global Investors Cl. A	-0.51

* Net of dividends

MARKET PRICE PERFORMANCE HISTORY SINCE INCEPTION (11/1/96)* through 12/31/10

Annual distribution totals as indicated
* Royce & Associates assumed investment management

responsibility for the Fund on 11/1/96.

**Reflects the cumulative total return experience of a continuous common stockholder who reinvested all distributions as indicated and fully participated in the primary subscription of the 2005 rights offering.

Reflects the actual market price of one share as it traded on Nasdaq.

FUND INFORMATION AND PORTFOLIO DIAGNOSTICS

Average Market Capitalization*	$3,149 million
Weighted Average P/E Ratio**	13.9x
Weighted Average P/B Ratio	2.1x
U.S. Investments (% of Net Assets applicable to Common Stockholders)	77.0%
Non-U.S. Investments (% of Net Assets applicable to Common Stockholders)	25.0%
Fund Total Net Assets	$197 million
Net Leverage†	2%
Turnover Rate	36%
Number of Holdings	59
Symbol Market Price NAV	 FUND XFUNX

*Geometrically calculated

**The Fund's P/E ratio calculation excludes companies with zero or negative earnings (8% of portfolio holdings as of 12/31/10).

†Net leverage is the percentage, in excess of 100%, of the total value of equity type investments, divided by net assets applicable to Common Stockholders.

CAPITAL STRUCTURE

Publicly Traded Securities Outstanding at 12/31/10
at NAV or Liquidation Value

19.8 million shares of Common Stock	$172 million
6.00% Cumulative Preferred Stock	$25 million

DOWN MARKET PERFORMANCE COMPARISON

All Down Periods of 7.5% or Greater Over the Last 10 Years, in Percentages(%)

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.

	History	Amount Invested	Purchase Price[1]	Shares	NAV Value[2]	Market Value[2]
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	62		
12/31/90	Distribution $0.32		8.000	52	11,713	11,074
9/23/91	Rights Offering	638	9.375	68		
12/31/91	Distribution $0.61		10.625	82	17,919	15,697
9/25/92	Rights Offering	825	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	253	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 $1.72		12.307	1,294	95,415	85,435
3/11/09	Distribution $0.32[3]		6.071	537	137,966	115,669
12/2/10	Distribution $0.03		13.850	23		

12/31/10	**$ 21,922**		**10,743**	**$ 179,730**	**$ 156,203**

[1] Beginning with the 1997 (RVT) distributions through 2008, the purchase price of distributions is a weighted average of the distribution reinvestment prices for the year.

[2] Other than for initial purchase, values are stated as of December 31 of the year indicated, after reinvestment of distributions.

[3] Includes a return of capital.

History Since Inception (continued)

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.

	History	Amount Invested	Purchase Price[1]	Shares	NAV Value[2]	Market Value[2]
Royce Micro-Cap Trust						
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					