

Edgar Filing: ROYCE VALUE TRUST INC - Form N-CSR/A

ROYCE VALUE TRUST INC  
Form N-CSR/A  
October 01, 2003

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM N-CSR

CERTIFIED AMENDED REPORT  
OF  
REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-04875

Name of Registrant: Royce Value Trust, Inc.

Address of Registrant: 1414 Avenue of the Americas  
New York, NY 10019

Name and address of agent for service: John E. Denneen, Esquire  
1414 Avenue of the Americas  
New York, NY 10019

Registrant's telephone number, including area code: (212) 486-1445

Date of fiscal year end: December 31

Date of reporting period: January 1, 2002 - December 31, 2002

ITEM 1: REPORTS TO SHAREHOLDERS

ROYCE VALUE TRUST, INC.

SCHEDULE OF INVESTMENTS DECEMBER 31, 2002

COMMON STOCKS - 94.2%

	SHARES -----	VALUE -----
CONSUMER PRODUCTS - 7.4%		
Apparel and Shoes - 2.6%		
Jones Apparel Group (a)	81,500	\$ 2,888,360
K-Swiss Cl. A	119,000	2,583,490
Nautica Enterprises (a)	85,700	952,127
Oshkosh B'Gosh Cl. A	104,300	2,925,615
Polo Ralph Lauren Cl. A (a)	150,000	3,264,000
Timberland Company Cl. A (a)	15,000	534,150
Weyco Group	127,664	4,381,428
Wolverine World Wide	99,400	1,501,934
		-----
		19,031,104
		-----
Collectibles - 0.3%		
The Boyds Collection (a,d)	210,100	1,397,165
Enesco Group (a)	117,200	829,776
		-----
		2,226,941
		-----
Food/Beverage/Tobacco - 0.6%		
800 JR Cigar (a,e)	172,400	2,241,200

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Hain Celestial Group (a)	37,800	574,560
Hershey Creamery	709	1,311,650
		-----
		4,127,410
		-----
Home Furnishing/Appliances - 1.0%		
Bassett Furniture Industries	116,675	1,670,786
Falcon Products (a)	377,000	1,526,850
La-Z-Boy (d)	68,200	1,635,436
Lifetime Hoan	295,327	1,408,710
Natuzzi ADR (b)	62,200	631,952
		-----
		6,873,734
		-----
Publishing - 0.6%		
Marvel Enterprises (a)	304,400	2,733,512
Scholastic Corporation (a)	35,000	1,258,250
		-----
		3,991,762
		-----
Sports and Recreation - 1.2%		
Callaway Golf	35,000	463,750
Coachmen Industries	67,700	1,069,660
Fleetwood Enterprises (a,d)	234,300	1,839,255
Monaco Coach (a)	123,950	2,051,372
Sturm, Ruger & Co.	258,400	2,472,888
Thor Industries (d)	22,100	760,903
		-----
		8,657,828
		-----
Other Consumer Products - 1.1%		
Burnham Corporation Cl. B	18,000	648,000
Fossil (a)	15,000	305,100
Lazare Kaplan International (a)	103,600	563,584
Matthews International Cl. A	196,000	4,376,876
Oakley (a)	175,000	1,797,250
Scotts (The) Cl. A (a)	10,000	490,400
		-----
		8,181,210
		-----
TOTAL (Cost \$39,087,482)		53,089,989
		=====
CONSUMER SERVICES - 5.4%		
Leisure/Entertainment - 0.8%		
Ascent Media Group Cl. A (a)	380,900	426,608
Corus Entertainment Cl. B (a)	22,000	262,900
Hasbro	50,000	577,500
Hearst-Argyle Television (a)	11,000	265,210
+Magna Entertainment Cl. A (a,d)	140,800	872,960
Shuffle Master (a,d)	15,000	286,650
Ticketmaster Cl. B (a)	121,200	2,571,864
+TiVo (a,d)	70,000	366,100
		-----
		5,629,792
		-----
Restaurants/Lodgings - 1.0%		

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+Benihana Cl. A (a,d)	2,500	33,750
Four Seasons Hotels	80,000	2,260,000
IHOP Corporation (a)	161,700	3,880,800
Prime Hospitality (a)	106,100	864,715
Ryan's Family Steak Houses (a)	40,900	464,215
		-----
		7,503,480
		-----
Retail Stores - 2.5%		
Big Lots (a)	307,200	4,064,256
Charming Shoppes (a,d)	753,400	3,149,212
Claire's Stores	127,700	2,818,339
PAYLESS SHOESOURCE (a)	93,200	4,797,004
Stein Mart (a)	192,800	1,176,080
Urban Outfitters (a)	83,800	1,975,166
		-----
		17,980,057
		-----
Other Consumer Services - 1.1%		
ITT Educational Services (a)	120,000	2,826,000
SOTHEBY'S HOLDINGS CL. A (a)	500,200	4,501,800
Strayer Education	10,000	575,000
		-----
		7,902,800
		-----
TOTAL (Cost \$39,910,757)		39,016,129
		=====
FINANCIAL INTERMEDIARIES - 10.0%		
Banking - 2.2%		
BOK Financial (a)	121,904	3,948,471
Farmers & Merchants Bank of Long Beach	1,266	4,000,560
First National Bank Alaska	2,130	2,886,150
Mechanics Bank	200	3,320,000
Oriental Financial Group	63,800	1,568,204
		-----
		15,723,385
		-----
Insurance - 7.4%		
Argonaut Group	187,000	2,758,250
Erie Indemnity Company Cl. A (d)	107,900	3,912,454
Everest Re Group	25,300	1,399,090
Fidelity National Financial	13,275	435,818
First American	31,700	703,740
Leucadia National	57,900	2,160,249
Markel Corporation (a)	4,200	863,100
NYMAGIC (a)	60,200	1,170,890
Navigators Group (a)	83,200	1,909,440
+PICO Holdings (a)	151,100	2,029,273
PMA Capital Cl. A (d)	241,700	3,463,561
PXRE Group	176,551	4,325,499
The Phoenix Companies	81,900	622,440
PROASSURANCE (a)	430,170	9,033,570
RLI	118,724	3,312,400
Reinsurance Group of America (d)	30,000	812,400
Trenwick Group (d)	212,260	152,827
Wesco Financial	11,990	3,716,301
WHITE MOUNTAINS INSURANCE GROUP (d)	25,600	8,268,800

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Zenith National Insurance	106,900	2,514,288
		-----
		53,564,390
		-----
Securities Brokers - 0.4%		
E*TRADE Group (a)	575,000	2,794,500
		-----
TOTAL (Cost \$48,682,808)		72,082,275
		=====
FINANCIAL SERVICES - 6.3%		
Information and Processing - 2.0%		
+Advent Software (a,d)	33,000	449,790
BARRA (a,d)	42,200	1,279,926
eFunds Corporation (a)	177,675	1,618,619
+FactSet Research Systems (d)	140,000	3,957,800

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ROYCE VALUE TRUST, INC.

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2002

	SHARES	VALUE
	-----	-----
FINANCIAL SERVICES (CONTINUED)		
Information and Processing (continued)		
Fair, Isaac and Co.	5,190	\$ 221,613
Global Payments	61,500	1,968,615
Moody's Corporation	50,000	2,064,500
National Processing (a)	20,000	321,000
SEI Investments	93,200	2,533,176
		-----
		14,415,039
		-----
Insurance Brokers - 1.4%		
Brown & Brown	20,000	646,400
Crawford & Co. Cl. A	297,350	1,219,135
Crawford & Co. Cl. B	75,300	376,500
Gallagher (Arthur J.) & Company	106,200	3,120,156
HILB, ROGAL & HAMILTON	115,350	4,717,815
		-----
		10,080,006
		-----
Investment Management - 2.7%		
Affiliated Managers Group (a,d)	60,000	3,018,000
Alliance Capital Management		
Holding L.P. (d)	139,000	4,309,000
BKF Capital Group (a)	94,000	1,659,100
BlackRock Cl. A (a)	35,000	1,379,000
Eaton Vance (d)	80,200	2,265,650
Federated Investors Cl. B	15,000	380,550
John Nuveen Company Cl. A	119,200	3,021,720
+Neuberger Berman	105,000	3,516,450
		-----

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		19,549,470
		-----
Other Financial Services - 0.2%		
PRG-Schultz International (a)	123,800	1,101,820
		-----
TOTAL (Cost \$33,842,910)		45,146,335
		=====
HEALTH - 8.3%		
Commercial Services - 1.6%		
IDEXX Laboratories (a)	104,100	3,466,530
PAREXEL International (a)	277,700	3,051,923
Pharmaceutical Product		
Development (a)	10,000	292,700
Quintiles Transnational (a)	180,300	2,181,630
Sybron Dental Specialties (a)	21,000	311,850
The TriZetto Group (a)	190,200	1,167,828
Young Innovations (a)	57,550	1,339,188
		-----
		11,811,649
		-----
Drugs and Biotech - 2.1%		
Abgenix (a)	38,000	280,060
Affymetrix (a)	86,600	1,982,274
+Albany Molecular Research (a,d)	40,000	591,640
Antigenics (a,d)	38,500	394,240
Applera Corporation-		
Celera Genomics Group (a,d)	199,200	1,902,360
Biopure Corporation Cl. A (a,d)	43,200	160,704
BioSource International (a)	1,600	9,582
Celgene Corporation (a)	40,000	858,800
Cerus Corporation (a,d)	21,700	466,550
Chiron Corporation (a,d)	21,800	819,680
Gene Logic (a)	308,100	1,937,949
Genzyme Corporation - General		
Division (a)	28,000	827,960
IDEC Pharmaceuticals (a)	28,100	932,077
Lexicon Genetics (a)	256,200	1,211,826
Millennium Pharmaceuticals (a)	24,000	190,560
Perrigo (a,d)	169,900	2,064,285
Shire Pharmaceuticals		
Group ADR (a,b,d)	20,853	393,913
		-----
		15,024,460
		-----
Health Services - 0.9%		
Covance (a)	132,700	3,263,093
Gentiva Health Services (a)	30,150	265,621
Health Management Associates Cl. A	27,400	490,460
Lincare Holdings (a)	24,600	777,852
Manor Care (a)	38,300	712,763
MedQuist (a)	73,893	1,497,072
		-----
		7,006,861
		-----
Personal Care - 0.6%		
Ocular Sciences (a,d)	177,500	2,754,800
Regis	57,200	1,486,628

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		-----
		4,241,428
		-----
Surgical Products and Devices - 3.1%		
ARROW INTERNATIONAL (d)	180,600	7,345,002
CONMED (a)	38,500	754,215
Datascope	37,000	917,637
Diagnostic Products Corporation	25,000	965,500
Haemonetics (a,d)	92,900	1,993,634
Invacare	100,000	3,330,000
Novoste (a,d)	66,500	480,130
STERIS (a)	48,600	1,178,550
Varian Medical Systems (a)	75,800	3,759,680
Zoll Medical (a)	20,200	720,534
		-----
		21,444,882
		-----
TOTAL (Cost \$54,015,112)		59,529,280
		=====
INDUSTRIAL PRODUCTS - 14.1%		
Building Systems and Components - 1.2%		
Decker Manufacturing	6,022	218,298
Preformed Line Products Company	131,600	2,193,772
SIMPSON MANUFACTURING (a)	190,400	6,264,160
		-----
		8,676,230
		-----
Construction Materials - 1.9%		
ASH GROVE CEMENT COMPANY CL. B	50,518	6,377,897
FLORIDA ROCK INDUSTRIES	158,800	6,042,340
Oregon Steel Mills (a)	247,900	996,558
		-----
		13,416,795
		-----
Industrial Components - 1.5%		
Bel Fuse Cl. A (a)	6,300	114,030
Belden (d)	47,800	727,516
Donaldson Company	26,000	936,000
Kaydon Corporation	161,200	3,419,052
Penn Engineering & Manufacturing	251,600	2,679,540
Penn Engineering & Manufacturing Cl. A	77,600	869,120
PerkinElmer	135,000	1,113,750
Powell Industries (a)	32,400	553,360
Woodhead Industries	45,400	513,020
		-----
		10,925,388
		-----
Machinery - 3.4%		
COHERENT (a)	233,700	4,662,315
Federal Signal (d)	58,600	1,138,012
Graco	26,550	760,658
LINCOLN ELECTRIC HOLDINGS	237,880	5,506,922
National Instruments (a,d)	41,100	1,335,339
Nordson Corporation	172,200	4,275,726
Oshkosh Truck	5,000	307,500
PAXAR (a)	175,100	2,582,725

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Woodward Governor	83,600	3,636,600
		-----
		24,205,797
		-----
Paper and Packaging - 0.4%		
Peak International (a)	408,400	1,547,836
Sealed Air (a)	34,000	1,268,200
		-----
		2,816,036
		-----

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ROYCE VALUE TRUST, INC.

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SCHEDULE OF INVESTMENTS

DECEMBER 31, 2002  
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	SHARES	VALUE
	-----	-----
INDUSTRIAL PRODUCTS (CONTINUED)		
Pumps, Valves and Bearings - 0.8%		
Baldor Electric (d)	62,900	\$ 1,242,275
ConBraCo Industries (a)	7,630	572,250
Denison International ADR (a,b)	89,400	1,430,400
Franklin Electric	23,600	1,133,036
NN	127,100	1,269,729
		-----
		5,647,690
		-----
Specialty Chemicals and Materials - 1.2%		
Arch Chemicals	38,200	697,150
CFC International (a)	123,500	549,575
Hawkins	301,278	2,708,489
MACDERMID	211,631	4,835,768
		-----
		8,790,982
		-----
Textiles - 0.3%		
Fab Industries (a)	67,700	551,755
Unifi (a)	265,100	1,391,775
		-----
		1,943,530
		-----
Other Industrial Products - 3.4%		
BHA Group Holdings (a)	187,252	3,211,372
Brady Corporation Cl. A	79,400	2,647,990
Diebold	100,000	4,122,000
IMPCO Technologies (a,d)	15,500	72,695
KIMBALL INTERNATIONAL CL. B	334,880	4,772,040
Maxwell Technologies (a,d)	26,500	160,325
Myers Industries	52,727	564,179
Peerless Mfg. (a,c)	158,600	1,316,380
Steelcase Cl. A	82,500	904,200
Trinity Industries (d)	20,000	379,200
VELCRO INDUSTRIES	525,800	4,811,070
Wescast Industries Cl. A	56,000	1,394,400

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		-----
		24,355,851
		-----
TOTAL (Cost \$73,264,335)		100,778,299
		=====
INDUSTRIAL SERVICES - 12.9%		
Advertising/Publishing - 0.8%		
Catalina Marketing (a,d)	60,000	1,110,000
Grey Global Group	3,817	2,332,569
Interpublic Group of Companies	180,000	2,534,400
		-----
		5,976,969
		-----
Commercial Services - 4.2%		
ABM Industries	119,200	1,847,600
ALLIED WASTE INDUSTRIES (a)	594,800	5,948,000
Carlisle Holdings (a)	204,900	563,475
Central Parking	89,200	1,682,312
+Convergys Corporation (a)	144,000	2,181,600
Cornell Companies (a,d)	124,400	1,119,600
iGATE Corporation (a)	139,500	365,490
Iron Mountain (a)	127,450	4,207,125
Korn/Ferry International (a)	87,400	653,752
Learning Tree International (a,d)	53,400	731,580
MPS Group (a)	294,300	1,630,422
Manpower	55,800	1,780,020
+Metro One Telecommunications (a,d)	25,000	161,250
New Horizons Worldwide (a)	136,500	539,175
On Assignment (a)	78,800	671,376
RemedyTemp Cl. A (a)	78,500	1,099,000
+Renaissance Learning (a,d)	10,000	189,000
Spherion Corporation (a)	109,000	730,300
+TRC Companies (a,d)	52,000	682,760
TMP Worldwide (a)	149,000	1,685,190
West Corporation (a)	75,000	1,245,000
		-----
		29,714,027
		-----
Engineering and Construction - 0.4%		
Clayton Homes (d)	25,000	304,500
EMCOR Group (a)	15,000	795,150
Jacobs Engineering Group (a,d)	20,000	712,000
McDermott International (a)	71,000	310,980
Washington Group International (a)	50,000	797,500
		-----
		2,920,130
		-----
Food/Tobacco Processors - 1.3%		
FARMER BROS.	22,000	6,798,000
MGP Ingredients	321,200	2,505,360
		-----
		9,303,360
		-----
Industrial Distribution - 1.0%		
Central Steel & Wire	3,699	1,764,423
RITCHIE BROS. AUCTIONEERS (a,d)	155,200	5,020,720
		-----
		6,785,143



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-----		
Printing - 1.5%		
BOWNE & CO.	383,100	4,578,045
Ennis Business Forms	62,700	728,574
Moore Corporation (a)	90,700	825,370
New England Business Service	178,300	4,350,520
		-----
		10,482,509
		-----
Transportation and Logistics - 3.1%		
Airborne	100,000	1,483,000
AirNet Systems (a)	219,000	1,077,480
Atlas Air Worldwide Holdings (a,d)	165,000	249,150
C. H. Robinson Worldwide	40,000	1,248,000
CNF	62,600	2,080,824
Continental Airlines Cl. B (a,d)	150,000	1,087,500
EGL (a)	198,525	2,828,981
+Forward Air (a)	95,000	1,843,950
Frozen Food Express Industries (a)	306,635	796,331
Hub Group Cl. A (a)	77,000	369,600
Landstar System (a,d)	35,800	2,089,288
Patriot Transportation Holding (a)	136,300	3,775,510
Pittston Brink's Group	137,278	2,536,897
UTI Worldwide (d)	45,000	1,181,250
		-----
		22,647,761
		-----
Other Industrial Services - 0.6%		
Landauer	117,900	4,097,025
Republic Services (a)	18,600	390,228
		-----
		4,487,253
		-----
TOTAL (Cost \$81,661,251)		92,317,152
		=====
NATURAL RESOURCES - 6.4%		
Energy Services - 2.4%		
Carbo Ceramics	105,600	3,558,720
ENSCO International	6,443	189,746
Global Industries (a)	119,500	498,315
Helmerich & Payne	98,400	2,746,344
Input/Output (a)	540,100	2,295,425
Precision Drilling (a)	37,500	1,220,250
Tidewater	21,600	671,760
+Universal Compression Holdings (a)	115,000	2,199,950
Willbros Group (a)	460,600	3,786,132
		-----
		17,166,642
		-----

ROYCE VALUE TRUST, INC.

-----  
SCHEDULE OF INVESTMENTS

DECEMBER 31, 2002  
-----

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	SHARES -----	VALUE -----
NATURAL RESOURCES (CONTINUED)		
Oil and Gas - 2.0%		
Tom Brown (a)	76,000	\$ 1,907,600
+Cimarex Energy (a)	138,170	2,473,243
DENBURY RESOURCES (a)		
EOG Resources (d)	5,000	199,600
Holly Corporation	20,000	437,000
Husky Energy	75,000	781,952
PetroCorp (a)	155,400	1,592,850
3TEC Energy (a)	124,200	1,762,398
Toreador Resources (a)	100,300	251,753
Vintage Petroleum	48,300	509,565
		-----
		14,465,341
		-----
Precious Metals and Mining - 0.8%		
AngloGold ADR (b)	111,900	3,833,694
+Glamis Gold (a,d)	70,000	793,800
Gold Fields ADR (b)	57,800	806,888
MK Gold (a)	517,900	220,108
		-----
		5,654,490
		-----
Real Estate - 1.2%		
Alico	52,000	1,383,200
Chelsea Property Group	55,000	1,832,050
Consolidated-Tomoka Land	13,564	261,107
Public Storage	45,000	1,453,950
Trammell Crow Company (a)	432,400	3,891,600
		-----
		8,821,907
		-----
TOTAL (Cost \$36,026,788)		46,108,380
		=====
TECHNOLOGY - 18.5%		
Aerospace/Defense - 1.2%		
Curtiss-Wright (d)	58,300	3,720,706
Ducommun (a)	182,300	2,889,455
Herley Industries (a)	30,000	522,240
Integral Systems (a)	74,800	1,499,740
		-----
		8,632,141
		-----
Components and Systems - 5.2%		
Adapttec (a)	99,500	562,175
Advanced Digital Information (a)	90,000	603,900
American Power Conversion (a,d)	231,200	3,502,680
Analogic	5,000	251,440
Cognex Corporation (a)	163,400	3,011,462
DDi Corporation (a)	20,000	4,400
Dionex (a)	96,000	2,852,160
Excel Technology (a)	168,500	3,014,465
Imation Corporation (a)	35,700	1,252,356
InFocus Corporation (a)	79,000	486,640
KEMET (a)	135,000	1,179,900
Kronos (a)	35,850	1,326,092

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Newport (a,d)	102,600	1,288,656
Pemstar (a,d)	245,000	553,700
Perceptron (a)	397,400	854,410
Radiant Systems (a)	57,500	553,725
Rainbow Technologies (a)	116,900	838,173
REMEC (a)	214,200	831,096
Scitex (a)	245,700	346,437
Storage Technology (a)	90,000	1,927,800
Symbol Technologies	304,900	2,506,278
TTM Technologies (a)	280,500	928,175
TECHNITROL	285,900	4,614,426
Vishay Intertechnology (a)	73,900	826,202
Zebra Technologies Cl. A (a)	62,500	3,581,250
		-----
		37,697,998
		-----
Distribution - 2.4%		
Anixter International (a)	41,900	974,175
Arrow Electronics (a)	326,100	4,170,819
Avnet (a)	405,355	4,389,995
Benchmark Electronics (a,d)	45,400	1,301,164
Plexus (a)	269,600	2,367,088
Tech Data (a)	151,500	4,084,440
		-----
		17,287,681
		-----
Internet Software and Services - 0.5%		
CNET Networks (a)	379,400	1,028,174
CryptoLogic (a,d)	202,000	955,460
DoubleClick (a)	196,700	1,113,322
RealNetworks (a)	85,400	325,374
Vastera (a)	15,000	84,765
		-----
		3,507,095
		-----
IT Services - 3.7%		
American Management Systems (a)	331,900	3,979,481
Answerthink (a)	655,000	1,637,500
+BearingPoint (a)	340,000	2,346,000
CGI Group Cl. A (a,d)	106,700	466,279
Covansys Corporation (a)	251,600	945,513
DiamondCluster International Cl. A (a)	233,900	734,446
Forrester Research (a)	91,500	1,424,655
Gartner Cl. A (a)	166,000	1,527,200
Keane (a)	467,000	4,198,330
MAXIMUS (a,d)	88,000	2,296,800
Perot Systems Cl. A (a)	115,100	1,233,872
QRS Corporation (a)	57,500	379,500
Sapient Corporation (a,d)	1,099,400	2,253,770
Syntel (a)	65,300	1,371,953
Unisys Corporation (a)	215,000	2,128,500
		-----
		26,923,799
		-----
Semiconductors and Equipment - 2.2%		
BE Semiconductor Industries (a)	58,000	255,200
Credence Systems (a)	10,600	98,898

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Cymer (a,d)	14,500	467,625
DuPont Photomasks (a)	35,000	813,750
Electroglass (a,d)	281,700	433,818
Exar (a)	87,300	1,082,520
Fairchild Semiconductor Cl. A (a)	175,000	1,874,250
Helix Technology	51,900	581,280
+Integrated Circuit Systems (a)	140,600	2,565,950
Intevac (a)	191,850	765,482
Kulicke & Soffa Industries (a,d)	105,800	605,176
Lam Research (a)	45,000	486,000
Lattice Semiconductor (a)	264,000	2,315,280
Mentor Graphics (a)	225,700	1,774,002
National Semiconductor (a)	23,200	348,232
Novellus Systems (a)	12,000	336,960
NVIDIA Corporation (a,d)	35,000	402,850
Veeco Instruments (a,d)	65,000	751,400

-----  
15,958,673  
-----

Software - 1.8%

Adobe Systems	30,000	744,030
ANSYS (a,d)	45,500	919,100
Aspen Technology (a,d)	27,100	76,693
Autodesk	251,000	3,589,300
Business Objects ADR (a,d)	25,500	382,500

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ROYCE VALUE TRUST, INC.

-----  
SCHEDULE OF INVESTMENTS

DECEMBER 31, 2002  
-----

	SHARES	VALUE
	-----	-----
TECHNOLOGY (CONTINUED)		
Software (continued)		
JDA Software Group (a)	149,900	\$ 1,448,034
MRO Software (a)	46,000	558,670
MSC.Software (a)	42,600	328,872
Macromedia (a)	61,600	656,040
Manugistics Group (a,d)	49,200	118,080
Novell (a)	90,000	300,600
Phoenix Technologies (a)	40,900	235,993
Progress Software (a)	50,500	653,975
SPSS (a)	107,500	1,503,925
Transaction Systems Architects Cl. A (a)	237,300	1,542,450
		-----
		13,058,262
		-----

Telecommunications - 1.5%

ADC Telecommunications (a)	113,000	236,170
+ADTRAN (a,d)	40,000	1,316,000
Allegiance Telecom (a,d)	2,516,700	1,686,189
+Andrew Corporation (a,d)	30,000	308,400
Globecomm Systems (a)	243,700	913,875
IDT Corporation (a)	25,000	432,250
IDT Corporation Cl. B (a)	40,000	620,400

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Inet Technologies (a)	65,000	396,500
Level 3 Communications (a,d)	488,400	2,393,160
Liberty Satellite & Technology Cl. A (a,d)	116,530	308,804
PECO II (a)	93,600	59,904
Plantronics (a)	55,100	833,663
Time Warner Telecom Cl. A (a,d)	242,000	510,620
+Tollgrade Communications (a,d)	35,500	416,415
		-----
		10,432,350
		-----
TOTAL (Cost \$161,093,372)		133,497,999
		=====
MISCELLANEOUS - 4.9%		
TOTAL (Cost \$39,674,965)		35,529,837
		=====
TOTAL COMMON STOCKS (Cost \$607,259,780)		677,095,675
		=====
PREFERRED STOCKS - 0.1%		
+Aristotle Corporation 11.00% Conv.	4,800	38,160
SVB Capital I 8.25%	20,000	484,000
		-----
TOTAL PREFERRED STOCKS (Cost \$531,005)		522,160
		=====
	PRINCIPAL AMOUNT	
	-----	
CORPORATE BONDS - 0.2%		
Dixie Group 7.00%		
Conv. Sub. Deb. due 5/15/12	\$ 584,000	297,840
Richardson Electronics 7.25% (c)		
Conv. Sub. Deb. due 12/15/06	1,319,000	1,055,200
		-----
TOTAL CORPORATE BONDS (Cost \$1,555,818)		1,353,040
		=====
U.S. TREASURY OBLIGATIONS - 4.3%		
U.S. Treasury Notes		
4.25%, due 3/31/03	25,000,000	25,185,550
+7.50%, due 2/15/05	5,000,000	5,606,640
		-----
TOTAL U.S. TREASURY OBLIGATIONS (Cost \$30,461,424)		30,792,190
		=====
REPURCHASE AGREEMENT - 1.2%		
State Street Bank & Trust Company, 0.50% dated 12/31/02, due 1/2/03, maturity value \$8,646,240 (collateralized by U.S. Treasury Bonds, 6.00% due 2/15/26, valued at \$8,820,698) (Cost \$8,646,000)		8,646,000
		=====
TOTAL INVESTMENTS - 100.0% (Cost \$648,454,027)		718,409,065
CASH AND OTHER ASSETS		
LESS LIABILITIES		2,366,558

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PREFERRED STOCK	(160,000,000)
	-----
NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS	\$560,775,623
	=====

- 
- (a) Non-income producing.
  - (b) American Depository Receipt.
  - (c) At December 31, 2002, 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.
  - (d) A portion of these securities were on loan at December 31, 2002. Total market value of loaned securities at December 31, 2002 was \$23,072,285.
  - (e) A security for which market quotations are no longer readily available represents 0.3% of investments. This security has been valued at its fair value under procedures established by the Fund's Board of Directors.
- + New additions in 2002.  
**BOLD INDICATES THE FUND'S LARGEST 20 EQUITY HOLDINGS IN TERMS OF DECEMBER 31, 2002 MARKET VALUE.**

INCOME TAX INFORMATION: The cost of total investments for Federal income tax purposes was \$652,067,259. At December 31, 2002, net unrealized appreciation for all securities was \$66,341,806, consisting of aggregate gross unrealized appreciation of \$170,833,078 and aggregate gross unrealized depreciation of \$104,491,272. The primary differences in book and tax basis cost is the timing of the recognition of losses on securities sold and amortization of discount for book and tax purposes.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

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ROYCE VALUE TRUST, INC.

STATEMENT OF ASSETS AND LIABILITIES	DECEMBER 31, 2002
-----	
ASSETS:	
Investments at value (identified cost \$639,808,027)	\$709,763,065
Repurchase agreement (at cost and value)	8,646,000
Cash	32
Collateral from brokers on securities loaned	25,147,370
Receivable for investments sold	6,380,230
Receivable for dividends and interest	1,011,806
Prepaid expenses	23,624
-----	
Total Assets	750,972,127
-----	
LIABILITIES:	
Payable for collateral on securities loaned	25,147,370
Payable for investments purchased	3,821,040
Payable for investment advisory fee	802,926
Preferred dividends accrued but not yet declared	266,225
Accrued expenses	158,943
-----	
Total Liabilities	30,196,504
-----	
PREFERRED STOCK:	
7.80% Cumulative Preferred Stock - \$0.001 par value, \$25 liquidation value per share; 2,400,000 shares outstanding	60,000,000

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7.30% Tax-Advantaged Cumulative Preferred Stock - \$0.001 par value, \$25 liquidation value per share; 4,000,000 shares outstanding	100,000,000
<hr style="border-top: 1px dashed black;"/>	
Total Preferred Stock	160,000,000
<hr style="border-top: 1px dashed black;"/>	
NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS	\$560,775,623
<hr style="border-top: 1px dashed black;"/>	
ANALYSIS OF NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS:	
Par value of Common Stock - \$0.001 per share;	
42,417,362 shares outstanding (150,000,000 shares authorized)	\$ 42,417
Additional paid-in capital	496,006,603
Accumulated net realized loss on investments	(3,813,147)
Net unrealized appreciation on investments	69,955,038
Preferred dividends accrued but not yet declared	(266,224)
<hr style="border-top: 1px dashed black;"/>	
Net Assets applicable to Common Stockholders (net asset value per share - \$13.22)	\$560,775,623

### STATEMENTS OF CHANGES IN NET ASSETS

	Year ended December 31, 2002	Year ended December 31, 2001
	-----	-----
INVESTMENT OPERATIONS:		
Net investment income (loss)	\$ (583,347)	\$ 2,247,245
Net realized gain on investments	62,933,497	53,961,553
Net change in unrealized appreciation on investments	(156,381,089)	46,195,029
<hr style="border-top: 1px dashed black;"/>		
Net increase (decrease) in net assets resulting from investment operations	(94,030,939)	102,403,827
<hr style="border-top: 1px dashed black;"/>		
DISTRIBUTIONS TO PREFERRED STOCKHOLDERS:		
Net investment income	(581,030)	(370,182)
Net realized gain on investments	(11,398,970)	(11,609,818)
<hr style="border-top: 1px dashed black;"/>		
Total distributions to Preferred Stockholders	(11,980,000)	(11,980,000)
<hr style="border-top: 1px dashed black;"/>		
NET INCREASE (DECREASE) IN NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS RESULTING FROM INVESTMENT OPERATIONS	(106,010,939)	90,423,827
<hr style="border-top: 1px dashed black;"/>		
DISTRIBUTIONS TO COMMON STOCKHOLDERS:		
Net investment income	(2,981,664)	(1,768,474)
Net realized gain on investments	(58,496,049)	(55,464,014)
<hr style="border-top: 1px dashed black;"/>		
Total distributions to Common Stockholders	(61,477,713)	(57,232,488)
<hr style="border-top: 1px dashed black;"/>		
CAPITAL STOCK TRANSACTIONS:		
Reinvestment of distributions to Common Stockholders	39,123,307	32,687,267
<hr style="border-top: 1px dashed black;"/>		
NET INCREASE (DECREASE) IN NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS	(128,365,345)	65,878,606
<hr style="border-top: 1px dashed black;"/>		
NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS: Beginning of year	689,140,968	623,262,362
<hr style="border-top: 1px dashed black;"/>		

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End of year (including undistributed net investment income of \$2,116,678 in 2001) \$ 560,775,623 \$689,140,968

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

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ROYCE VALUE TRUST, INC.

STATEMENT OF OPERATIONS	YEAR ENDED DECEMBER 31, 2002
INVESTMENT INCOME:	
Income:	
Dividends	\$ 7,614,855
Interest	2,842,281
Total income	10,457,136
Expenses:	
Investment advisory fees	10,689,280
Stockholder reports	306,974
Administrative and office facilities expenses	210,877
Custody and transfer agent fees	213,265
Directors' fees	115,005
Professional fees	68,790
Other expenses	101,360
Total expenses	11,705,551
Fees waived by investment advisor	(665,068)
Net expenses	11,040,483
Net investment income (loss)	(583,347)
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:	
Net realized gain on investments	62,933,497
Net change in unrealized appreciation on investments	(156,381,089)
Net realized and unrealized gain (loss) on investments	(93,447,592)
NET DECREASE IN NET ASSETS RESULTING FROM INVESTMENT OPERATIONS	(94,030,939)
DISTRIBUTIONS TO PREFERRED STOCKHOLDERS	(11,980,000)
NET DECREASE IN NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS RESULTING FROM INVESTMENT OPERATIONS	\$(106,010,939)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

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ROYCE VALUE TRUST, INC.

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.



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	Years ended		
	2002	2001	2000
NET ASSET VALUE, BEGINNING OF PERIOD	\$17.31	\$16.56	\$15.71
INVESTMENT OPERATIONS:			
Net investment income (loss)	(0.02)	0.05	0.00
Net realized and unrealized gain (loss) on investments	(2.25)	2.58	2.25
Total investment operations	(2.27)	2.63	2.25
DISTRIBUTIONS TO PREFERRED STOCKHOLDERS:			
Net investment income	(0.01)	(0.01)	(0.00)
Net realized gain on investments	(0.28)	(0.30)	(0.00)
Total distributions to Preferred Stockholders	(0.29)	(0.31)	(0.00)
NET INCREASE (DECREASE) IN NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS RESULTING FROM INVESTMENT OPERATIONS	(2.56)	2.32	2.25
DISTRIBUTIONS TO COMMON STOCKHOLDERS:			
Net investment income	(0.07)	(0.05)	(0.00)
Net realized gain on investments	(1.44)	(1.44)	(1.44)
Total distributions to Common Stockholders	(1.51)	(1.49)	(1.44)
CAPITAL STOCK TRANSACTIONS:			
Effect of reinvestment of distributions by Common Stockholders	(0.02)	(0.08)	(0.00)
Effect of Preferred Stock offering	-	-	-
Total capital stock transactions	(0.02)	(0.08)	(0.00)
NET ASSET VALUE, END OF PERIOD	\$13.22	\$17.31	\$16.71
MARKET VALUE, END OF PERIOD	\$13.25	\$15.72	\$14.71
TOTAL RETURN (a):			
Market Value	(6.9)%	20.0%	20.0%
Net Asset Value	(15.6)%	15.2%	15.2%
RATIOS BASED ON AVERAGE NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS:			
Total expenses (b,c)	1.72%	1.61%	1.61%
Management fee expense	1.56%	1.45%	1.45%
Other operating expenses	0.16%	0.16%	0.16%
Net investment income (loss)	(0.09)%	0.35%	0.35%
SUPPLEMENTAL DATA:			
Net Assets Applicable to Common Stockholders, End of Period (in thousands)	\$560,776	\$689,141	\$623,000
Liquidation Value of Preferred Stock, End of Period (in thousands)	\$160,000	\$160,000	\$160,000
Portfolio Turnover Rate	35%	30%	30%
PREFERRED STOCK:			
Total shares outstanding	6,400,000	6,400,000	6,400,000
Asset coverage per share	\$112.62	\$132.68	\$122.68
Liquidation preference per share	\$25.00	\$25.00	\$25.00
Average market value per share:			
7.80% Cumulative (d)	\$26.37	\$25.70	\$23.70

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7.30% Tax-Advantaged Cumulative (d)

\$25.82

\$25.37

\$22

- 
- (a) 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 reported. Dividends and distributions, if any, 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.
- (b) Expense ratios based on total average net assets including liquidation value of Preferred Stock were 1.38%, 1.30%, 1.12%, 1.06% and 1.06% for the periods ended December 31, 2002, 2001, 2000, 1999 and 1998, respectively.
- (c) Expense ratios based on average net assets applicable to Common Stockholders before waiver of fees by the investment adviser would have been 1.82%, 1.65%, 1.51%, 1.48% and 1.34% for the periods ended December 31, 2002, 2001, 2000, 1999 and 1998, respectively.
- (d) The average of month-end market values during the period.

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ROYCE VALUE TRUST, INC.

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### NOTES TO FINANCIAL STATEMENTS

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Royce Value Trust, Inc. ("the Fund") was incorporated under the laws of the State of Maryland on July 1, 1986 as a diversified closed-end investment company. 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.

#### VALUATION OF INVESTMENTS:

Securities listed on an exchange or on the Nasdaq National Market System (NMS) are valued on the basis of the last reported sale prior to the time the valuation is made or, if no sale is reported for such day, at their bid price for exchange-listed securities and at the average of their bid and asked prices for Nasdaq NMS securities. Quotations are taken from the market where the security is primarily traded. Other over-the-counter securities for which market quotations are readily available are valued at their bid price. Securities for which market quotations are not readily available are valued at their fair value under procedures established by the Fund's Board of Directors. Bonds and other fixed income securities may be valued by reference to other securities with comparable ratings, interest rates and maturities, using established independent pricing services.

#### INVESTMENT TRANSACTIONS AND RELATED INVESTMENT INCOME:

Investment transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date and any non-cash dividend income is recorded at the fair market value of the securities received. Interest income is recorded on the accrual basis. Realized gains and losses from investment transactions are determined on the basis of

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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 in an equitable manner. Allocated personnel and occupancy costs related to The Royce Funds are included in administrative and office facilities expenses. The Fund has adopted a deferred fee agreement that allows the Fund's Directors to defer the receipt of all or a portion of Directors' Fees otherwise payable. The deferred fees remain invested in certain Royce Funds until distributed in accordance with the agreement.

### 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 "Income Tax Information".

### DISTRIBUTIONS:

The Fund currently has a policy of paying quarterly distributions on the Fund's Common Stock. Distributions are currently being made at the annual rate of 9% 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 2.25% of the rolling average or the distribution required by IRS regulations. Distributions to Preferred Stockholders are recorded on an accrual basis and paid quarterly. 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 basis 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.

### REPURCHASE AGREEMENTS:

The Fund enters into repurchase agreements with respect to its portfolio securities solely with State Street Bank and Trust Company ("SSB&T"), the custodian of its assets. The Fund restricts repurchase agreements to maturities of no more than seven days. Securities pledged as collateral for repurchase agreements, which are held by SSB&T 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 SSB&T, including possible delays or restrictions upon the ability of the Fund to dispose of the underlying securities.

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ROYCE VALUE TRUST, INC.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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### 2. SECURITIES LENDING:

The Fund loans securities to qualified institutional investors for the purpose of realizing additional income. This income is included in interest

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income. Collateral on all securities loaned for the Fund is accepted in cash and is invested temporarily, typically, and specifically at December 31, 2002, in a registered money market fund, by the custodian. The collateral is equal to at least 100% of the current market value of the loaned securities.

### 3. CAPITAL STOCK:

The Fund currently has two issues of Preferred Stock outstanding: 7.80% Cumulative Preferred Stock and 7.30% Tax-Advantaged Cumulative Preferred Stock. Both issues of Preferred Stock have a liquidation preference of \$25.00 per share.

Under the Investment Company Act of 1940, the Fund is required to maintain an asset coverage of at least 200% for the Preferred Stock. In addition, pursuant to the Rating Agency Guidelines established by Moody's, the Fund is required to maintain a certain discounted asset coverage. The Fund has met these requirements since issuing Preferred Stock.

The Fund is required to allocate long-term capital gain distributions and other types of income proportionately to distributions made to holders of shares of Common Stock and Preferred Stock. 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. The Fund issued 2,615,641 and 2,167,201 shares of Common Stock as reinvestment of distributions by Common Stockholders for the years ended December 31, 2002 and 2001, respectively.

### 4. INVESTMENT ADVISORY AGREEMENT:

As compensation for its services under the Investment Advisory Agreement, Royce & Associates, LLC ("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 600 SmallCap 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 attributable to common stockholders plus liquidation value of Preferred Stock for the rolling 60-month period ending with such month. 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 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. Royce has voluntarily committed to waive the portion of its investment advisory fee attributable to an issue of the Fund's Preferred Stock for any month in which the Fund's average annual NAV total return since issuance of the Preferred Stock fails to exceed the applicable Preferred Stock dividend rate. For the year ended December 31, 2002, the Fund accrued and paid Royce advisory fees totaling \$10,024,212, which is net of \$665,068 voluntarily waived by Royce.

### 5. DISTRIBUTIONS TO STOCKHOLDERS:

The tax character of distributions paid to stockholders during 2002 and

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2001 was as follows:

Distributions paid from:	2002	2001
Ordinary income	\$ 6,028,029	16,631,761
Long-term capital gain	67,429,684	52,580,727
	\$73,457,713	\$69,212,488

As of December 31, 2002, the tax basis components of distributable earnings included in stockholders' equity were as follows:

Post October Loss	\$ (199,915)
Unrealized appreciation	66,341,806
Accrued preferred distributions	(266,224)
	\$65,875,667

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ROYCE VALUE TRUST, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

6. PURCHASES AND SALES OF INVESTMENT SECURITIES:

For the year ended December 31, 2002, the cost of purchases and proceeds from sales of investment securities, other than short-term securities, amounted to \$290,458,749 and \$274,219,404, respectively.

7. TRANSACTIONS IN SHARES OF 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. The Fund effected the following transactions in shares of such companies during the year ended December 31, 2002:

Affiliated Company	Purchases		Sales		Realized G
	Shares	Cost	Shares	Cost	
Open Plan Systems	--	--	376,000	\$ 927,874	\$ (9

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PCD	5,300	\$ 2,756	482,900	2,705,721	(2,6
Patriot Transportation Holdings	--	--	30,000	558,200	1
Peerless Mfg.	--	--	--	--	
Richardson Electronics	10,000	106,750	190,300	1,375,899	(1
Richardson Electronics 7.25% Conv. due 12/15/06	--	--	--	--	
RockShox	--	--	1,141,400	537,508	(

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**8. PREFERRED STOCK PRESENTATION**

To reflect recent accounting guidance from the Securities and Exchange Commission, the Statement of Assets and Liabilities has been modified to present the liquidation value of Preferred Stock below Liabilities and above Net Assets Applicable to Common Stockholders. As revised, Preferred Stock is no longer included as a component of net assets of the Fund. Likewise, the Statement of Operations, the Statement of Changes in Net Assets, and the Financial Highlights have been revised to show distributions to Preferred Stockholders as a component of the net decrease in net assets applicable to Common Stockholders resulting from investment operations. These modifications do not change the amount of net assets applicable to Common Stockholders, the net asset value per share of Common Stock, or the total return per share of Common Stock.

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ROYCE VALUE TRUST, INC.

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**REPORT OF INDEPENDENT AUDITORS**

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TO THE BOARD OF DIRECTORS AND STOCKHOLDERS OF ROYCE VALUE TRUST, INC.

We have audited the accompanying statement of assets and liabilities of Royce Value Trust, Inc., including the schedule of investments, as of December 31, 2002, and the related statement of operations for the year then ended, and the statement of changes in net assets for the two years in the period then ended and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights. Our procedures included confirmation of securities owned as of December 31, 2002, by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above and audited by us present fairly, in all material respects, the financial position of Royce Value Trust, Inc. at December 31, 2002, the results of its

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operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with generally accepted accounting principles.

TAIT, WELLER & BAKER

Philadelphia, PA  
January 15, 2003, except for Note 8, as to which the date is  
September 12, 2003.

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ITEM 2: CODE(S) OF ETHICS - NOT APPLICABLE TO THIS AMENDED ANNUAL REPORT.

ITEM 3: AUDIT COMMITTEE FINANCIAL EXPERT - NOT APPLICABLE TO THIS AMENDED ANNUAL REPORT.

ITEM 4: PRINCIPAL ACCOUNTANT FEES AND SERVICES - NOT APPLICABLE TO THIS AMENDED ANNUAL REPORT.

ITEM 5: AUDIT COMMITTEE OF LISTED REGISTRANTS. NOT APPLICABLE TO THIS AMENDED ANNUAL REPORT.

ITEM 6: RESERVED.

ITEM 7: DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES -

In June 2003, in response to rules adopted by the Commission, Royce adopted written proxy voting policies and procedures (the "Proxy Voting Procedures") for itself, the Fund, and all The Royce Funds and clients accounts for which Royce is responsible for voting proxies. The Board of Directors of the Fund has delegated all proxy voting decisions to Royce. In voting proxies, Royce is guided by general fiduciary principles. Royce's goal is to act prudently, solely in the best interest of the beneficial owners of the accounts it manages. Royce attempts to consider all factors of its vote that could affect the value of the investment and will vote proxies in the manner it believes will be consistent with efforts to enhance and/or protect stockholder value.

Royce personnel are responsible for monitoring receipt of all proxies and ensuring that proxies are received for all securities for which Royce has proxy voting responsibility. Royce divides proxies into "regularly recurring" and "non-regularly recurring" matters. Examples of regularly recurring matters include non-contested elections of directors and non-contested approvals of independent auditors. Regularly recurring matters are usually voted as recommended by the issuer's board of directors or management. Non-regularly recurring matters are brought to the attention of portfolio manager(s) for the applicable account(s) and, after giving consideration to advisories provided by an independent third party research firm, the portfolio manager(s) directs that such matters be voted in a way that he believes should better protect or enhance the value of the investment. If the portfolio manager determines that information relating to a proxy requires additional analysis, is missing, or is incomplete, the portfolio manager will give the proxy to an analyst or another portfolio manager for review and analysis. Under certain circumstances, Royce may vote against a proposal from the issuer's board of directors or management. Royce's portfolio managers decide these issues on a case-by-case basis. A Royce

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

In furtherance of Royce's goal to vote proxies in the best interests of its clients, Royce follows specific procedures outlined in the Proxy Voting Procedures to identify, assess and address material conflicts that may arise between Royce's interests and those of its clients before voting proxies on behalf of such clients. In the event such a material conflict of interest is identified, the proxy will be voted by Royce in accordance with the recommendation given by an independent third party research firm.

ITEM 8: RESERVED.

ITEM 9: 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 amended report.

(b) Internal Controls. There were no significant changes in Registrant's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

ITEM 10: EXHIBITS ATTACHED HERETO. (ATTACH CERTIFICATIONS AS EXHIBITS)

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

ROYCE VALUE TRUST, INC.

BY: /s/ Charles M. Royce  
CHARLES M. ROYCE  
PRESIDENT

Date: October 1, 2003

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this amended 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.

BY: /s/ Charles M. Royce  
CHARLES M. ROYCE  
PRESIDENT

Date: October 1, 2003

ROYCE VALUE TRUST, INC.

BY: /s/ John D. Diederich  
JOHN D. DIEDERICH



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CHIEF FINANCIAL OFFICER

Date: October 1, 2003