

## 2007 SUPPLEMENTAL TAX INFORMATION

This document contains important details regarding the following:

- **Blended Qualified Dividend Income:** Percentage of Ordinary Income and/or Short-Term Capital Gains derived from domestic corporations or qualified foreign corporations.
- **U.S. Govt. Income:** Percentage of Ordinary Income derived from U.S. Government Obligations.
- **Income Eligible for DRD:** Percentage of Ordinary Income eligible for the Corporate Dividend Received Deduction (DRD).

### ROYCE OPEN-END FUNDS: 2007 DISTRIBUTIONS

FUND NAME	CLASS	TICKER	FUND #	QUALIFIED DIVIDEND INCOME %	% US GOVT. INCOME	% INCOME ELIGIBLE FOR DRD
Pennsylvania Mutual Fund	Consultant	RYPCX	302	33.28%	0%	33.07%
	Investment	PENNX	260	33.28%	0%	33.07%
	R	RPMRX	968	33.28%	0%	33.07%
	Service	RYPFX	362	33.28%	0%	33.07%
Royce 100 Fund	Investment	ROHHX	297	29.77%	—	30.04%
	Service	RYOHX	277	29.77%	—	30.04%
Royce Discovery Fund	Service	RYDFX	220	75.53%	—	100.00%
Royce Dividend Value Fund	Investment	RDVIX	341	40.24%	0%	46.29%
	Service	RYDVX	204	40.24%	0%	46.29%
Royce Financial Services	Service	RYFSX	268	60.30%	0%	56.98%
Royce Heritage Fund	Consultant	RYGCX	262	11.71%	—	15.85%
	Investment	RHFHX	293	11.71%	—	15.85%
	Service	RGFAX	294	11.71%	—	15.85%
Royce International Smaller Companies Fund	Service	RISCX	678	100.00%	0%	0.00%
Royce International Value Fund	Service	RIVFX	677	20.37%	0%	6.09%
Royce LowPriced Stock Fund	Institutional	RLPIX	466	22.45%	0%	17.91%
	Investment	RLPHX	284	22.45%	0%	17.91%
	R	RLPRX	966	22.45%	0%	17.91%
	Service	RYLPX	266	22.45%	0%	17.91%
Royce MicroCap Fund	Consultant	RYMCX	312	16.32%	0%	13.24%
	Investment	RYOTX	264	16.32%	0%	13.24%
	Service	RMCFX	383	16.32%	0%	13.24%
Royce Mid-Cap Value Fund	Service	RMVSX	602	11.77%	0%	16.33%



**ROYCE OPEN-END FUNDS: 2007 DISTRIBUTIONS (CONTINUED)**

FUND NAME	CLASS	TICKER	FUND #	QUALIFIED DIVIDEND INCOME %	% US GOVT. INCOME	% INCOME ELIGIBLE FOR DRD
<b>Royce Opportunity Fund</b>	Consultant	ROFCX	319	52.40%	0%	52.21%
	Institutional	ROFIX	429	52.40%	0%	52.21%
	Investment	RYPNX	249	52.40%	0%	52.21%
	Service	RYOFX	300	52.40%	0%	52.21%
	R	ROFRX	969	52.40%	0%	52.21%
<b>Royce Premier Fund</b>	Consultant	RPRCX	313	34.78%	0%	19.87%
	Institutional	RPFIX	426	34.78%	0%	19.87%
	Investment	RYPRX	265	34.78%	0%	19.87%
	R	RPRRX	965	34.78%	0%	19.87%
	Service	RPFEX	387	34.78%	0%	19.87%
	W	RPRWX	566	34.78%	0%	19.87%
<b>Royce Global Select Fund</b>	Investment	RSFTX	353	10.93%	0%	6.14%
<b>Royce Mid-Cap Select Fund</b>	Investment	RMISX	354	11.52%	0%	12.36%
<b>Royce Select Fund I</b>	Investment	RYSFX	250	33.22%	0%	94.85%
<b>Royce Select Fund II</b>	Investment	RSFDX	352	5.01%	0%	5.15%
<b>Royce Special Equity Fund</b>	Consultant	RSQCX	339	100.00%	0%	100.00%
	Institutional	RSEIX	449	100.00%	0%	100.00%
	Investment	RYSEX	327	100.00%	0%	100.00%
	Service	RSEFX	340	100.00%	0%	100.00%
<b>Royce Technology Value Fund</b>	Service	RYTVX	214	1.48%	—	1.48%
<b>Royce Total Return Fund</b>	Consultant	RYTCX	255	99.85%	2.25%	93.23%
	Institutional	RTRIX	427	99.85%	2.25%	93.23%
	Investment	RYTRX	267	99.85%	2.25%	93.23%
	R	RTRRX	967	99.85%	2.25%	93.23%
	Service	RYTFX	337	99.85%	2.25%	93.23%
	W	RTRWX	567	99.85%	2.25%	93.23%
<b>Royce Value Fund</b>	Consultant	RVFCX	781	15.96%	0%	16.33%
	Institutional	RVFIX	881	15.96%	0%	16.33%
	Investment	RVVHX	270	15.96%	0%	16.33%
	R	RVVRX	975	15.96%	0%	16.33%
	Service	RYVFX	291	15.96%	0%	16.33%
<b>Royce Value Plus Fund</b>	Consultant	RVPCX	782	9.79%	0%	7.26%
	Institutional	RVPIX	882	9.79%	0%	7.26%
	Investment	RVPHX	271	9.79%	0%	7.26%
	R	RVPRX	976	9.79%	0%	7.26%
	Service	RYVPX	292	9.79%	0%	7.26%
<b>Royce Capital Fund—Micro-Cap Portfolio</b>	Investment	RCMCX	296	6.68%	0%	13.05%
	Service	RCMSX	286	6.68%	0%	13.05%
<b>Royce Capital Fund—Small-Cap Portfolio</b>	Investment	RCPFX	295	31.04%	0%	41.65%
	Service	RCSX	285	31.04%	0%	41.65%

## ROYCE CLOSED-END FUNDS: 2007 DISTRIBUTIONS

FUND NAME	SYMBOL	% INCOME	% SHORT-TERM GAINS	% LONG-TERM GAINS	% BLENDED QUALIFIED DIVIDEND INCOME	% U.S. GOVT. INCOME	% INCOME ELIGIBLE FOR DRD
<b>Royce Value Trust*</b>	RVT	4.49%	9.74%	85.77%	62.20%	0%	67.30%
<b>Royce Micro-Cap Trust*</b>	RMT	6.23%	0.89%	92.88%	8.39%	0%	100%
<b>Royce Focus Trust*</b>	FUND	22.09%	2.21%	75.71%	13.77%	0%	10.30%

\*Applies to both Common Stock and Preferred Stock.

### QUESTIONS?

If you have fund-specific questions, please contact Investor Services at (800) 221-4268. Distribution payable dates and reinvestment prices are available on our website: <http://www.roycefunds.com/funds/distributions.asp>. If you are unclear about any tax-related information contained herein, we recommend that you contact your tax advisor.

An investor should carefully consider a Fund's investment objectives, risks, charges and expenses carefully before investing. This and other important information on The Royce Funds can be found in the prospectus. To obtain a prospectus, please call (800) 221-4268 or visit [www.roycefunds.com](http://www.roycefunds.com). Please read the prospectus carefully before investing.

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