

Eaton Vance Risk-Managed Diversified Equity Income Fund
Form N-CSR
February 26, 2014

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: 811-22044

Eaton Vance Risk-Managed Diversified Equity Income Fund
(Exact Name of Registrant as Specified in Charter)

Two International Place, Boston, Massachusetts 02110
(Address of Principal Executive Offices)

Maureen A. Gemma

Two International Place, Boston, Massachusetts 02110

(Name and Address of Agent for Services)

(617) 482-8260

(Registrant's Telephone Number)

December 31

Date of Fiscal Year End

December 31, 2013

Date of Reporting Period

Item 1. Reports to Stockholders

Eaton Vance

Risk-Managed Diversified Equity Income Fund (ETJ)

Annual Report

December 31, 2013

Commodity Futures Trading Commission Registration. Effective December 31, 2012, the Commodity Futures Trading Commission (CFTC) adopted certain regulatory changes that subject registered investment companies and advisers to regulation by the CFTC if a fund invests more than a prescribed level of its assets in certain CFTC-regulated instruments (including futures, certain options and swap agreements) or markets itself as providing investment exposure to such instruments. The Fund has claimed an exclusion from the definition of the term commodity pool operator under the Commodity Exchange Act and is not subject to the CFTC regulation. Because of its management of other strategies, the Fund's adviser is registered with the CFTC as a commodity pool operator and a commodity trading advisor.

Managed Distribution Plan. Pursuant to an exemptive order issued by the Securities and Exchange Commission (Order), the Fund is authorized to distribute long-term capital gains to shareholders more frequently than once per year. Pursuant to the Order, the Fund's Board of Trustees approved a Managed Distribution Plan (MDP) pursuant to which the Fund makes monthly cash distributions to common shareholders, stated in terms of a fixed amount per common share.

The Fund currently distributes monthly cash distributions equal to \$0.0930 per share in accordance with the MDP. The Fund's distribution frequency changed from quarterly to monthly beginning in January 2013. You should not draw any conclusions about the Fund's investment performance from the amount of these distributions or from the terms of the MDP. The MDP will be subject to regular periodic review by the Fund's Board of Trustees and the Board may amend or terminate the MDP at any time without prior notice to Fund shareholders. However, at this time there are no reasonably foreseeable circumstances that might cause the termination of the MDP.

The Fund may distribute more than its net investment income and net realized capital gains and, therefore, a distribution may include a return of capital. A return of capital distribution does not necessarily reflect the Fund's investment performance and should not be confused with yield or income. With each distribution, the Fund will issue a notice to shareholders and a press release containing information about the amount and sources of the distribution and other related information. The amounts and sources of distributions contained in the notice and press release are only estimates and are not provided for tax purposes. The amounts and sources of the Fund's distributions for tax purposes will be reported to shareholders on Form 1099-DIV for each calendar year.

Fund shares are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. Shares are subject to investment risks, including possible loss of principal invested.

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Risk-Managed Diversified Equity Income Fund

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Risk-Managed Diversified Equity Income Fund

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Management's Discussion of Fund Performance

Economic and Market Conditions

As the 12-month period started on January 1, 2013, U.S. stocks were just beginning a rally that would continue well into May. The rally was driven largely by strengthening U.S. economic data, as employment slowly improved and the housing market appeared to have finally turned the corner after its 2008 collapse.

In late May 2013, U.S. Federal Reserve (the Fed) Chairman Ben Bernanke surprised the markets by indicating that the Fed's \$85 billion in monthly asset purchases, known collectively as quantitative easing (QE), could begin to taper off sooner than most investors had expected. The negative effect on the markets was swift and dramatic. Bond investors rushed to sell assets in anticipation of rising interest rates. The prospect of reduced Fed stimulus weighed on equities as well.

By late June 2013, however, U.S. equities resumed their upward trajectory. The S&P 500 Index², a broad measure of the U.S. stock market, closed at a new all-time high on August 2, 2013. Factors contributing to the rally included some backtracking by the Fed on its earlier statements regarding QE, ongoing improvements in housing and other U.S. economic data, and news from Europe that the eurozone had officially come out of its recession.

In late August 2013, U.S. equities faltered again, as investors worried that a U.S. strike on Syria could lead to a spike in oil prices. As those concerns faded, equities once more trended upward. In mid-September, the Fed again surprised investors by announcing that it was postponing any tapering of QE for the time being. Stocks initially surged in response, only to drift downward in late September and early October amid a Congressional impasse that led to a partial government shutdown on October 1, 2013.

Fund Performance

For the 12-month period ended December 31, 2013, Eaton Vance Risk-Managed Diversified Equity Income Fund (the Fund) had a total return of 17.59% at net asset value (NAV), underperforming the 32.39% return of the Fund's equity benchmark, the S&P 500 Index (the Index), and outperforming the -2.02% return of the Barclays U.S. Aggregate Bond Index. As the Fund's collared options strategy is designed to reduce volatility levels toward the historical volatility of bonds, the Barclays U.S. Aggregate Bond Index is viewed as an appropriate secondary benchmark for the Fund.

While the Fund's underlying common stock portfolio modestly outperformed the Index for the period, the Fund's options overlay strategy detracted from performance versus the Index and contributed to the Fund's underperformance versus the Index.

Within the Fund's underlying common stock portfolio, stock selection in the health care, materials and industrials sectors helped the Fund's performance relative to the Index. Within the health care sector, the strongest contributions to performance versus the Index came from an overweight and stock selection in biotechnology. In the materials sector, contributors to Fund performance versus the Index included an underweight and stock selection in metals & mining, as well as stock selection in chemicals. Stock selection and overweights in both aerospace & defense and road & rail aided Fund performance relative to the Index in the industrials sector.

In contrast, stock selection in the energy, financials and information technology (IT) sectors hurt the Fund's performance versus the Index. Stock selection in oil, gas & consumable fuels was the key detractor from Fund performance relative to the Index in the energy sector. Stock selection and an underweight in insurance, along with stock selection in diversified financial services, dragged on Fund performance versus the Index in the financials sector. In the IT

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In mid-October, U.S. stocks reversed direction again and began a rally that more or less lasted through the end of the 12-month period, with the S&P 500 Index and the Dow Jones Industrial Average both closing at all-time highs on December 31, 2013. Drivers of this latest rally included moderate growth in corporate earnings and a widespread belief that Janet Yellen set to succeed Mr. Bernanke as Fed chairperson in early 2014 would take a measured approach to winding down QE. Even the Fed's mid-December announcement that tapering of QE would actually begin in January 2014 did not derail the rally, as investors appeared relieved that the tapering would be gradual and that the Fed still intended to keep the Fed funds rate near zero for an extended period.

sector, an overweight and stock selection in IT services hurt Fund performance relative to the Index.

The Fund employs a collared options strategy that can be beneficial during times of market weakness, but may detract during periods of market strength. When the market was trending upward, as it was for most of the 12-month period, the Fund's writing of call options and purchasing of put options held back performance versus the Index.

The S&P 500 Index delivered a return of 32.39% for the 12-month period, while the Dow Jones Industrial Average returned 29.65%.

See Endnotes and Additional Disclosures in this report.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) with all distributions reinvested and includes management fees and other expenses. Fund performance at market price will differ from its results at NAV due to factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for Fund shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance less than one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return. For performance as of the most recent month end, please refer to eatonvance.com.

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Performance²

Portfolio Managers Walter A. Row III, CFA, CMT, Michael A. Allison, CFA and Kevin J. Amell

				Since
% Average Annual Total Returns	Inception Date	One Year	Five Years	Inception
Fund at NAV ³	07/31/2007	17.59%	4.85%	4.72%
Fund at Market Price ³		19.47	1.61	2.77
S&P 500 Index		32.39%	17.93%	6.11%
Barclays U.S. Aggregate Bond Index		2.02	4.44	5.07

% Premium/Discount to NAV⁴	11.40%
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Distributions⁵

Total Distributions per share for the period	\$1.116
Distribution Rate at NAV	8.77%
Distribution Rate at Market Price	9.90%

Fund Profile

Sector Allocation (% of total investments)⁶

Top 10 Holdings (% of total investments)⁶

Google, Inc., Class A	4.0%
Apple, Inc.	3.5
Gilead Sciences, Inc.	2.7

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Amazon.com, Inc.	2.6
Occidental Petroleum Corp.	2.2
JPMorgan Chase & Co.	2.1
Monsanto Co.	2.1
Corning, Inc.	2.1
Boeing Co. (The)	2.1
Merck & Co., Inc.	2.0
Total	25.4%

See Endnotes and Additional Disclosures in this report.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) with all distributions reinvested and includes management fees and other expenses. Fund performance at market price will differ from its results at NAV due to factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for Fund shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance less than one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return. For performance as of the most recent month end, please refer to eatonvance.com.

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Fund Snapshot

Objective The primary investment objective is to provide current income and gains, with a secondary objective of capital appreciation.

Strategy The Fund invests in a diversified portfolio of common stocks and purchases out-of-the-money, short-dated S&P 500 Index put options and sells out-of-the-money S&P 500 Index call options of the same term as the put options with roll dates that are staggered across the options portfolio. The Fund evaluates returns on an after tax basis and seeks to minimize and defer federal income taxes incurred by shareholders in connection with their investment in the Fund.

	Write Index Covered Calls;
Options Strategy	Buy Index Puts
Equity Benchmark²	S&P 500 Index
Morningstar Category	Large Blend
Distribution Frequency	Monthly
Common Stock Portfolio	
Positions Held	83
% US / Non-US	95.0/5.0
Average Market Cap	\$111.2 Billion
Call Options Written	
% of Stock Portfolio	96
Average Days to Expiration	14 days
% In the Money	0.6%
Put Options Purchased	
% of Stock Portfolio	96
Average Days to Expiration	14 days
% Out of the Money	5.8%

The following terms as used in the Fund snapshot:

Average Market Cap: An indicator of the size of the companies in which the Fund invests and is the sum of each security's weight in the portfolio multiplied by its market cap. Market Cap is determined by multiplying the price of a share of a company's common stock by the number of shares outstanding.

Call Option: For an index call option, the buyer has the right to receive from the seller (or writer) a cash payment at the option expiration date equal to any positive difference between the value of the index at contract expiration and the exercise price. The buyer of a call option makes a cash payment (premium) to the seller (writer) of the option upon entering into the option contract.

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Covered Call Strategy: A strategy of owning a portfolio of common stocks and writing call options on all or a portion of such stocks to generate current earnings from option premium.

Index Put Option: Gives the option buyer the right to receive from the option seller (writer) a cash payment if the value of the index exceeds a specified value (exercise price or strike price) on or before a specified date (option expiration date). The buyer makes a cash payment (premium) to the seller of the option upon entering into the contract.

In the Money: For a call option on an index, the extent to which the current price of the value of the index exceeds the exercise price of the option.

Out of the Money: For an index put option, the extent to which the current value of the index exceeds the exercise price of the option.

See Endnotes and Additional Disclosures in this report.

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Endnotes and Additional Disclosures

- ¹ The views expressed in this report are those of the portfolio manager(s) and are current only through the date stated at the top of this page. These views are subject to change at any time based upon market or other conditions, and Eaton Vance and the Fund(s) disclaim any responsibility to update such views. These views may not be relied upon as investment advice and, because investment decisions are based on many factors, may not be relied upon as an indication of trading intent on behalf of any Eaton Vance fund. This commentary may contain statements that are not historical facts, referred to as forward looking statements. The Fund's actual future results may differ significantly from those stated in any forward looking statement, depending on factors such as changes in securities or financial markets or general economic conditions, the volume of sales and purchases of Fund shares, the continuation of investment advisory, administrative and service contracts, and other risks discussed from time to time in the Fund's filings with the Securities and Exchange Commission.
- ² S&P 500 Index is an unmanaged index of large-cap stocks commonly used as a measure of U.S. stock market performance. Dow Jones Industrial Average is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry. Barclays U.S. Aggregate Bond Index is an unmanaged index of domestic investment-grade bonds, including corporate, government and mortgage-backed securities. Unless otherwise stated, index returns do not reflect the effect of any applicable sales charges, commissions, expenses, taxes or leverage, as applicable. It is not possible to invest directly in an index. Performance since inception for an index, if presented, is the performance since the Fund's or oldest share class' inception, as applicable.
- ³ During the year ended December 31, 2008, the Fund elected to retain a portion of its realized long-term gains and pay the required federal corporate income tax on such amount. The total returns include the economic benefit to common shareholders of the tax credit or refund available to them, which equaled their pro rata share of the tax paid by the Fund. If this benefit was not included, the returns for since inception would have been 4.16% (at NAV) and 2.21% (at Market Price).
- ⁴ The shares of the Fund often trade at a discount or premium from their net asset value. The discount or premium of the Fund may vary over time and may be higher or lower than what is quoted in this report. For up-to-date premium/discount information, please refer to <http://eatonvance.com/closedend>.
- ⁵ The Distribution Rate is based on the Fund's last regular distribution per share in the period (annualized) divided by the Fund's NAV or market price at the end of the period. The Fund's distributions may be comprised of amounts characterized for federal income tax purposes as qualified and non-qualified ordinary dividends, capital gains and nondividend distributions, also known as return of capital. For additional information about nondividend distributions, please refer to Eaton Vance Closed-End Fund Distribution Notices (19a) posted on our website, eatonvance.com. The Fund will determine the federal income tax character of distributions paid to a shareholder after the end of the calendar year. This is reported on the IRS form 1099-DIV and provided to the shareholder shortly after each year-end. For information about the tax character of distributions made in prior calendar years, please refer to Performance-Tax Character of Distributions on the Fund's webpage available at www.eatonvance.com. In recent years, a significant portion of the Fund's distributions has been characterized as a return of capital. The Fund's distributions are determined by the investment adviser based on its current assessment of the Fund's long-term return potential. As portfolio and market conditions change, the rate of distributions paid by the Fund could change.
- ⁶ Depictions do not reflect the Fund's option positions. Excludes cash and cash equivalents.

Fund snapshot and profile subject to change due to active management.

Important Notice to Shareholders

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In November 2013, the Fund announced that its Board of Trustees had authorized a conditional one-time cash tender offer for 10% of the Fund's outstanding shares, to be triggered if certain prescribed conditions relating to the Fund's average monthly market trading discount to net asset value per share (NAV) are met. In particular, if the Fund's daily discount to NAV (as measured based on each day's volume-weighted average market price) averages more than 9.75% for any of the months of February, March, April or May 2014, the Fund will conduct a tender offer for 10% of its shares outstanding on the commencement date of the tender offer (or such lesser amount that is properly tendered and not withdrawn) at a price of 96% of the Fund's NAV. The tender offer would commence within 30 days of the end of the month in which the triggering event occurs. If the conditions are triggered, the Fund will issue a press release providing notification and additional information about the tender offer.

Information About Share Repurchase Program

On September 30, 2013, the Fund's Board of Trustees approved the continuation of the Fund's share repurchase program. The Board authorized the Fund to repurchase up to 10% of its common shares outstanding as of September 30, 2013 in open market transactions at a discount to net asset value (NAV). Under the previous authorization, the Fund could repurchase up to 10% of its common shares outstanding as of August 8, 2012 at a discount to NAV in the open market. The terms of the reauthorization increased the number of shares available for repurchase. From the date it began repurchasing shares until December 31, 2013, the Fund has purchased the number and percentage of its outstanding shares and seen the changes in its market price and discount to NAV as set forth in the table below. For more information on the Fund's share repurchase program, please see Note 5 in the Fund's Notes to Financial Statements.

No. of Shares Repurchased	% Shares Repurchased ¹	Beginning	12/31/13	%	Beginning	12/31/13	Discount Change
		Market Price ²	Market Price	Market Return ³	NAV Discount ²	NAV Discount	
6,071,342	8.32%	\$10.31	\$11.27	22.84%	-14.93%	-11.40%	-3.53%

¹% Shares Repurchased is based on the number of shares outstanding on August 8, 2012. ² Beginning Market Price and Beginning NAV Discount are as of the close of the market on the business day preceding the Fund's first share repurchase. ³ % Market Return reflects the change in the market price of the Fund shares plus any distributions paid during the period but not reflecting the reinvestment of distributions.

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Portfolio of Investments

Common Stocks 100.2%

Security	Shares	Value
Aerospace & Defense 3.2%		
Boeing Co. (The)	132,930	\$ 18,143,615
United Technologies Corp.	80,596	9,171,825
		\$ 27,315,440
Air Freight & Logistics 1.0%		
C.H. Robinson Worldwide, Inc.	142,934	\$ 8,338,770
		\$ 8,338,770
Auto Components 0.4%		
TRW Automotive Holdings Corp. ⁽¹⁾	47,200	\$ 3,511,208
		\$ 3,511,208
Automobiles 0.7%		
Honda Motor Co., Ltd.	147,278	\$ 6,079,209
		\$ 6,079,209
Beverages 2.3%		
Beam, Inc.	127,942	\$ 8,707,732
PepsiCo, Inc.	128,071	10,622,209
		\$ 19,329,941
Biotechnology 4.9%		
Biogen Idec, Inc. ⁽¹⁾	6,001	\$ 1,678,780
Celgene Corp. ⁽¹⁾	99,695	16,844,467
Gilead Sciences, Inc. ⁽¹⁾	310,545	23,337,457
		\$ 41,860,704

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Capital Markets 1.6%			
Charles Schwab Corp. (The)	192,774	\$ 5,012,124	
Morgan Stanley	269,928	8,464,942	
			\$ 13,477,066
Chemicals 3.5%			
LyondellBasell Industries NV, Class A	111,450	\$ 8,947,206	
Monsanto Co.	156,779	18,272,593	
PPG Industries, Inc.	13,561	2,571,979	
			\$ 29,791,778
Commercial Banks 3.3%			
PNC Financial Services Group, Inc. (The)	122,949	\$ 9,538,383	
Regions Financial Corp.	982,098	9,712,949	
SunTrust Banks, Inc.	244,887	9,014,291	
			\$ 28,265,623
Security	Shares	Value	
Communications Equipment 1.5%			
QUALCOMM, Inc.	174,834	\$ 12,981,424	
			\$ 12,981,424
Computers & Peripherals 3.6%			
Apple, Inc.	54,175	\$ 30,398,134	
			\$ 30,398,134
Consumer Finance 1.5%			
American Express Co.	142,794	\$ 12,955,700	
			\$ 12,955,700
Diversified Financial Services 5.7%			
Bank of America Corp.	943,641	\$ 14,692,490	
Citigroup, Inc.	299,264	15,594,647	
JPMorgan Chase & Co.	313,212	18,316,638	
			\$ 48,603,775
Diversified Telecommunication Services 1.0%			
AT&T, Inc.	123,494	\$ 4,342,049	
CenturyLink, Inc.	136,523	4,348,258	
			\$ 8,690,307
Electric Utilities 1.6%			
Duke Energy Corp.	65,511	\$ 4,520,914	
Edison International	103,463	4,790,337	
NextEra Energy, Inc.	52,252	4,473,816	

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\$ 13,785,067

Electrical Equipment 2.8%

Emerson Electric Co.	210,973	\$ 14,806,085
Rockwell Automation, Inc.	77,231	9,125,615

\$ 23,931,700

Electronic Equipment, Instruments & Components 2.1%

Corning, Inc.	1,020,192	\$ 18,179,821
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\$ 18,179,821

Energy Equipment & Services 1.5%

Cameron International Corp. ⁽¹⁾	67,960	\$ 4,045,659
FMC Technologies, Inc. ⁽¹⁾	84,035	4,387,467
Halliburton Co.	83,849	4,255,337

\$ 12,688,463

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Portfolio of Investments continued

Security	Shares	Value
Food & Staples Retailing 1.2%		
Costco Wholesale Corp.	82,332	\$ 9,798,331
		\$ 9,798,331
Food Products 3.2%		
Hershey Co. (The)	134,736	\$ 13,100,381
Mondelez International, Inc., Class A	395,185	13,950,031
		\$ 27,050,412
Health Care Equipment & Supplies 2.2%		
Abbott Laboratories	273,662	\$ 10,489,464
Covidien PLC	114,791	7,817,267
		\$ 18,306,731
Health Care Providers & Services 1.0%		
Express Scripts Holding Co. ⁽¹⁾	118,586	\$ 8,329,481
		\$ 8,329,481
Hotels, Restaurants & Leisure 0.9%		
McDonald's Corp.	81,526	\$ 7,910,468
		\$ 7,910,468
Household Products 1.2%		
Procter & Gamble Co.	128,822	\$ 10,487,399
		\$ 10,487,399
Industrial Conglomerates 1.7%		
Danaher Corp.	186,467	\$ 14,395,252

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			\$ 14,395,252
Insurance	2.7%		
ACE, Ltd.		47,680	\$ 4,936,310
Aflac, Inc.		164,378	10,980,451
MetLife, Inc.		130,875	7,056,780
			\$ 22,973,541
Internet & Catalog Retail	4.1%		
Amazon.com, Inc. ⁽¹⁾		55,245	\$ 22,031,154
Netflix, Inc. ⁽¹⁾		35,648	13,124,524
			\$ 35,155,678
Internet Software & Services	7.2%		
eBay, Inc. ⁽¹⁾		246,527	\$ 13,531,867
Facebook, Inc., Class A ⁽¹⁾		244,791	13,380,276
Security		Shares	Value
Internet Software & Services (continued)			
Google, Inc., Class A ⁽¹⁾		30,885	\$ 34,613,128
			\$ 61,525,271
IT Services	2.5%		
Accenture PLC, Class A		112,921	\$ 9,284,365
Visa, Inc., Class A		53,170	11,839,895
			\$ 21,124,260
Machinery	1.1%		
Deere & Co.		104,137	\$ 9,510,832
			\$ 9,510,832
Media	2.6%		
Lions Gate Entertainment Corp.		240,138	\$ 7,602,769
Walt Disney Co. (The)		191,418	14,624,335
			\$ 22,227,104
Metals & Mining	0.6%		
Freeport-McMoRan Copper & Gold, Inc.		125,922	\$ 4,752,296
			\$ 4,752,296
Multi-Utilities	0.7%		
Sempra Energy		69,500	\$ 6,238,320
			\$ 6,238,320
Multiline Retail	2.2%		

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Dollar General Corp. ⁽¹⁾	162,896	\$ 9,825,887
Macy's, Inc.	164,626	8,791,028
		\$ 18,616,915

Oil, Gas & Consumable Fuels 8.7%

Chevron Corp.	78,097	\$ 9,755,096
Concho Resources, Inc. ⁽¹⁾	99,215	10,715,220
EOG Resources, Inc.	32,664	5,482,326
Exxon Mobil Corp.	43,236	4,375,483
Marathon Oil Corp.	252,215	8,903,190
Occidental Petroleum Corp.	198,000	18,829,800
Phillips 66	121,022	9,334,427
Range Resources Corp.	80,955	6,825,316
		\$ 74,220,858

Personal Products 1.3%

Estee Lauder Cos., Inc. (The), Class A	150,313	\$ 11,321,575
		\$ 11,321,575

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Portfolio of Investments continued

Security	Shares	Value
Pharmaceuticals 4.9%		
Johnson & Johnson	76,271	\$ 6,985,661
Merck & Co., Inc.	352,519	17,643,576
Roche Holding AG PC	28,692	8,037,380
Shire PLC ADR	61,833	8,736,384
		\$ 41,403,001
Real Estate Investment Trusts (REITs) 1.5%		
AvalonBay Communities, Inc.	54,354	\$ 6,426,274
Boston Properties, Inc.	65,336	6,557,774
		\$ 12,984,048
Road & Rail 1.2%		
Canadian Pacific Railway, Ltd.	64,080	\$ 9,696,586
		\$ 9,696,586
Semiconductors & Semiconductor Equipment 1.2%		
NXP Semiconductors NV ⁽¹⁾	223,944	\$ 10,285,748
		\$ 10,285,748
Software 1.1%		
Microsoft Corp.	247,818	\$ 9,275,828
		\$ 9,275,828
Specialty Retail 1.6%		
AutoNation, Inc. ⁽¹⁾	84,193	\$ 4,183,550
Home Depot, Inc. (The)	108,846	8,962,380
		\$ 13,145,930
Textiles, Apparel & Luxury Goods 0.6%		

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NIKE, Inc., Class B	62,675	\$ 4,928,762
		\$ 4,928,762

Tobacco 0.8%

Philip Morris International, Inc.	78,843	\$ 6,869,591
		\$ 6,869,591

Total Common Stocks
(identified cost \$563,548,644) **\$ 852,718,348**

Put Options Purchased 0.1%

Description	Number of Contracts	Strike Price	Expiration Date	Value
S&P 500 Index	369	\$ 1,745	1/3/14	\$ 12,915
S&P 500 Index	369	1,710	1/10/14	32,288
Description	Number of Contracts	Strike Price	Expiration Date	Value
S&P 500 Index	368	\$ 1,760	1/18/14	\$ 103,040
S&P 500 Index	362	1,790	1/24/14	246,160
S&P 500 Index FLEX	374	1,720	1/2/14	0
S&P 500 Index FLEX	366	1,750	1/6/14	3,814
S&P 500 Index FLEX	371	1,720	1/8/14	4,329
S&P 500 Index FLEX	367	1,715	1/13/14	15,352
S&P 500 Index FLEX	368	1,710	1/15/14	20,159
S&P 500 Index FLEX	369	1,770	1/21/14	132,661
S&P 500 Index FLEX	361	1,790	1/22/14	204,042
S&P 500 Index FLEX	364	1,785	1/27/14	246,380

Total Put Options Purchased
(identified cost \$3,516,497) **\$ 1,021,140**

Short-Term Investments 1.0%

Description	Interest (000 s omitted)	Value
Eaton Vance Cash Reserves Fund, LLC, 0.13% ⁽²⁾	\$ 8,191	\$ 8,191,493

Total Short-Term Investments
(identified cost \$8,191,493) **\$ 8,191,493**

Total Investments 101.3%
(identified cost \$575,256,634) **\$ 861,930,981**

Call Options Written (1.2)%

Description	Number of Contracts	Strike Price	Expiration Date	Value
S&P 500 Index	369	\$ 1,830	1/3/14	\$ (797,040)

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S&P 500 Index	369	1,810	1/10/14	(1,586,700)
S&P 500 Index	368	1,840	1/18/14	(872,160)
S&P 500 Index	362	1,870	1/24/14	(389,150)
S&P 500 Index FLEX	374	1,817	1/2/14	(1,079,859)
S&P 500 Index FLEX	366	1,839	1/6/14	(484,070)
S&P 500 Index FLEX	371	1,825	1/8/14	(912,551)
S&P 500 Index FLEX	367	1,821	1/13/14	(1,124,293)
S&P 500 Index FLEX	368	1,816	1/15/14	(1,312,073)
S&P 500 Index FLEX	369	1,852	1/21/14	(562,293)
S&P 500 Index FLEX	361	1,861	1/22/14	(427,524)
S&P 500 Index FLEX	364	1,868	1/27/14	(409,107)

Total Call Options Written
(premiums received \$3,738,388) **\$ (9,956,820)**

Other Assets, Less Liabilities (0.1)% **\$ (961,217)**

Net Assets 100.0% **\$ 851,012,944**

The percentage shown for each investment category in the Portfolio of Investments is based on net assets.

Eaton Vance

Risk-Managed Diversified Equity Income Fund

December 31, 2013

Portfolio of Investments continued

ADR	American Depositary Receipt
FLEX	FLexible EXchange traded option, representing a customized option contract with negotiated contract terms.
PC	Participation Certificate

(1) Non-income producing security.

(2) Affiliated investment company, available to Eaton Vance portfolios and funds, which invests in high quality, U.S. dollar denominated money market instruments. The rate shown is the annualized seven-day yield as of December 31, 2013.

Eaton Vance

Risk-Managed Diversified Equity Income Fund

December 31, 2013

Statement of Assets and Liabilities

	December 31, 2013
Assets	
Unaffiliated investments, at value (identified cost, \$567,065,141)	\$ 853,739,488
Affiliated investment, at value (identified cost, \$8,191,493)	8,191,493
Dividends receivable	1,171,987
Interest receivable from affiliated investment	490
Receivable for investments sold	892,551
Receivable for open forward foreign currency exchange contracts	32,332
Tax reclaims receivable	197,224
Total assets	\$ 864,225,565
Liabilities	
Written options outstanding, at value (premiums received, \$3,738,388)	\$ 9,956,820
Payable for Fund shares repurchased	1,423,292
Due to custodian	892,552
Payable to affiliates:	
Investment adviser fee	719,705
Trustees fees	8,490
Accrued expenses	211,762
Total liabilities	\$ 13,212,621
Net Assets	\$ 851,012,944
Sources of Net Assets	
Common shares, \$0.01 par value, unlimited number of shares authorized, 66,887,441 shares issued and outstanding	\$ 668,874
Additional paid-in capital	926,627,790
Accumulated net realized loss	(356,824,453)
Accumulated undistributed net investment income	13,411
Net unrealized appreciation	280,527,322
Net Assets	\$ 851,012,944
Net Asset Value	
(\$851,012,944 ÷ 66,887,441 common shares issued and outstanding)	\$ 12.72

Eaton Vance

Risk-Managed Diversified Equity Income Fund

December 31, 2013

Statement of Operations

	Year Ended
	December 31, 2013
Investment Income	
Dividends (net of foreign taxes, \$32,951)	\$ 15,499,735
Interest income allocated from affiliated investment	5,531
Expenses allocated from affiliated investment	(732)
Total investment income	\$ 15,504,534
Expenses	
Investment adviser fee	\$ 8,549,710
Trustees' fees and expenses	33,175
Custodian fee	338,860
Transfer and dividend disbursing agent fees	18,302
Legal and accounting services	80,853
Printing and postage	259,483
Miscellaneous	117,007
Total expenses	\$ 9,397,390
Deduct	
Reduction of custodian fee	\$ 98
Total expense reductions	\$ 98
Net expenses	\$ 9,397,292
Net investment income	\$ 6,107,242
Realized and Unrealized Gain (Loss)	
Net realized gain (loss)	
Investment transactions	\$ 84,131,214
Investment transactions allocated from affiliated investment	124
Written options	(51,422,598)
Foreign currency and forward foreign currency exchange contract transactions	750,981
Net realized gain	\$ 33,459,721
Change in unrealized appreciation (depreciation)	
Investments	\$ 93,654,498
Written options	(7,225,884)
Foreign currency and forward foreign currency exchange contracts	37,369
Net change in unrealized appreciation (depreciation)	\$ 86,465,983
Net realized and unrealized gain	\$ 119,925,704
Net increase in net assets from operations	\$ 126,032,946

Eaton Vance

Risk-Managed Diversified Equity Income Fund

December 31, 2013

Statements of Changes in Net Assets

	Year Ended December 31,	
	2013	2012
Increase (Decrease) in Net Assets		
From operations		
Net investment income	\$ 6,107,242	\$ 9,494,591
Net realized gain (loss) from investment transactions, written options and foreign currency and forward foreign currency exchange contract transactions	33,459,721	(31,641,879)
Net change in unrealized appreciation (depreciation) from investments, written options, foreign currency and forward foreign currency exchange contracts	86,465,983	52,126,516
Net increase in net assets from operations	\$ 126,032,946	\$ 29,979,228
Distributions to shareholders		
From net investment income	\$ (6,775,606)	\$ (9,367,917)
Tax return of capital	(70,528,833)	(74,596,079)
Total distributions	\$ (77,304,439)	\$ (83,963,996)
Capital share transactions		
Cost of shares repurchased (see Note 5)	\$ (37,418,162)	\$ (28,538,342)
Net decrease in net assets from capital share transactions	\$ (37,418,162)	\$ (28,538,342)
Net increase (decrease) in net assets	\$ 11,310,345	\$ (82,523,110)
Net Assets		
At beginning of year	\$ 839,702,599	\$ 922,225,709
At end of year	\$ 851,012,944	\$ 839,702,599
Accumulated undistributed net investment income included in net assets		
At end of year	\$ 13,411	\$ 45,743

Eaton Vance

Risk-Managed Diversified Equity Income Fund

December 31, 2013

Financial Highlights

	Year Ended December 31,				
	2013	2012	2011	2010	2009
Net asset value Beginning of year	\$ 11.950	\$ 12.640	\$ 14.470	\$ 16.410	\$ 17.340
Income (Loss) From Operations					
Net investment income ⁽¹⁾	\$ 0.088	\$ 0.131	\$ 0.077	\$ 0.113	\$ 0.161
Net realized and unrealized gain (loss)	1.734	0.281	(0.629)	(0.253)	0.709
Total income (loss) from operations	\$ 1.822	\$ 0.412	\$ (0.552)	\$ (0.140)	\$ 0.870
Less Distributions					
From net investment income	\$ (0.098)	\$ (0.129)	\$ (0.076)	\$ (0.113)	\$ (0.161)
From net realized gain					(0.010)
Tax return of capital	(1.018)	(1.028)	(1.202)	(1.687)	(1.629)
Total distributions	\$ (1.116)	\$ (1.157)	\$ (1.278)	\$ (1.800)	\$ (1.800)
Anti-dilutive effect of share repurchase program (see Note 5)⁽¹⁾	\$ 0.064	\$ 0.055	\$	\$	\$
Net asset value End of year	\$ 12.720	\$ 11.950	\$ 12.640	\$ 14.470	\$ 16.410
Market value End of year	\$ 11.270	\$ 10.430	\$ 10.450	\$ 13.280	\$ 16.660
Total Investment Return on Net Asset Value⁽²⁾	17.59%	5.42%	(2.79)%	(0.48)%	5.68%
Total Investment Return on Market Value⁽²⁾	19.47%	11.20%	(12.43)%	(10.03)%	3.47%
Ratios/Supplemental Data					
Net assets, end of year (000 s omitted)	\$ 851,013	\$ 839,703	\$ 922,226	\$ 1,055,982	\$ 1,183,154
Ratios (as a percentage of average daily net assets):					
Expenses ⁽³⁾	1.10%	1.09%	1.09%	1.07%	1.08%
Net investment income	0.71%	1.07%	0.57%	0.76%	0.99%
Portfolio Turnover	42%	48%	103%	39%	59%

⁽¹⁾ Computed using average shares outstanding.

⁽²⁾ Returns are historical and are calculated by determining the percentage change in net asset value or market value with all distributions reinvested. Distributions are assumed to be reinvested at prices obtained under the Fund's dividend reinvestment plan.

⁽³⁾ Excludes the effect of custody fee credits, if any, of less than 0.005%.

Eaton Vance

Risk-Managed Diversified Equity Income Fund

December 31, 2013

Notes to Financial Statements

1 Significant Accounting Policies

Eaton Vance Risk-Managed Diversified Equity Income Fund (the Fund) is a Massachusetts business trust registered under the Investment Company Act of 1940, as amended (the 1940 Act), as a diversified, closed-end management investment company. The Fund's primary investment objective is to provide current income and gains, with a secondary objective of capital appreciation.

The following is a summary of significant accounting policies of the Fund. The policies are in conformity with accounting principles generally accepted in the United States of America.

A Investment Valuation The following methodologies are used to determine the market value or fair value of investments.

Equity Securities. Equity securities (including common shares of closed-end investment companies) listed on a U.S. securities exchange generally are valued at the last sale or closing price on the day of valuation or, if no sales took place on such date, at the mean between the closing bid and asked prices therefore on the exchange where such securities are principally traded. Equity securities listed on the NASDAQ Global or Global Select Market generally are valued at the NASDAQ official closing price. Unlisted or listed securities for which closing sales prices or closing quotations are not available are valued at the mean between the latest available bid and asked prices.

Debt Obligations. Short-term obligations purchased with a remaining maturity of sixty days or less are generally valued at amortized cost, which approximates market value.

Derivatives. Exchange-traded options (other than FLEXible EXchange traded options) are valued at the mean between the bid and asked prices at valuation time as reported by the Options Price Reporting Authority for U.S. listed options or by the relevant exchange or board of trade for non-U.S. listed options. Over-the-counter options and FLEXible EXchange traded options traded at the Chicago Board Options Exchange are valued by a third party pricing service using techniques that consider factors including the value of the underlying instrument, the volatility of the underlying instrument and the period of time until option expiration. Forward foreign currency exchange contracts are generally valued at the mean of the average bid and average asked prices that are reported by currency dealers to a third party pricing service at the valuation time. Such third party pricing service valuations are supplied for specific settlement periods and the Fund's forward foreign currency exchange contracts are valued at an interpolated rate between the closest preceding and subsequent settlement period reported by the third party pricing service.

Foreign Securities and Currencies. Foreign securities and currencies are valued in U.S. dollars, based on foreign currency exchange rate quotations supplied by a third party pricing service. The pricing service uses a proprietary model to determine the exchange rate. Inputs to the model include reported trades and implied bid/ask spreads. The daily valuation of exchange-traded foreign securities generally is determined as of the close of trading on the principal exchange on which such securities trade. Events occurring after the close of trading on foreign exchanges may result in adjustments to the valuation of foreign securities to more accurately reflect their fair value as of the close of regular trading on the New York Stock Exchange. When valuing foreign equity securities that meet certain criteria, the Fund's Trustees have approved the use of a fair value service that values such securities to reflect market trading that occurs after the close of the applicable foreign markets of comparable securities or other instruments that have a strong correlation to the fair-valued securities.

Affiliated Fund. The Fund may invest in Eaton Vance Cash Reserves Fund, LLC (Cash Reserves Fund), an affiliated investment company managed by Eaton Vance Management (EVM). The value of the Fund's investment in Cash Reserves Fund reflects the Fund's proportionate interest in its net assets. Cash Reserves Fund generally values its investment securities utilizing the amortized cost valuation technique in accordance with Rule 2a-7 under the 1940 Act. This technique involves initially valuing a portfolio security at its cost and thereafter assuming a constant amortization to maturity of any discount or premium. If amortized cost is determined not to approximate fair value, Cash Reserves Fund may value its investment securities based on available market quotations provided by a third party pricing service.

Fair Valuation. Investments for which valuations or market quotations are not readily available or are deemed unreliable are valued at fair value using methods determined in good faith by or at the direction of the Trustees of the Fund in a manner that fairly reflects the security's value, or the amount that the Fund might

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reasonably expect to receive for the security upon its current sale in the ordinary course. Each such determination is based on a consideration of relevant factors, which are likely to vary from one pricing context to another. These factors may include, but are not limited to, the type of security, the existence of any contractual restrictions on the security's disposition, the price and extent of public trading in similar securities of the issuer or of comparable companies or entities, quotations or relevant information obtained from broker/dealers or other market participants, information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities), an analysis of the company's or entity's financial condition, and an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold.

B Investment Transactions Investment transactions for financial statement purposes are accounted for on a trade date basis. Realized gains and losses on investments sold are determined on the basis of identified cost.

C Income Dividend income is recorded on the ex-dividend date for dividends received in cash and/or securities. However, if the ex-dividend date has passed, certain dividends from foreign securities are recorded as the Fund is informed of the ex-dividend date. Withholding taxes on foreign dividends and capital gains have been provided for in accordance with the Fund's understanding of the applicable countries' tax rules and rates. Interest income is recorded on the basis of interest accrued, adjusted for amortization of premium or accretion of discount.

Eaton Vance

Risk-Managed Diversified Equity Income Fund

December 31, 2013

Notes to Financial Statements continued

D Federal Taxes The Fund's policy is to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute to shareholders each year substantially all of its net investment income, and all or substantially all of its net realized capital gains. Accordingly, no provision for federal income or excise tax is necessary.

At December 31, 2013, the Fund, for federal income tax purposes, had a capital loss carryforward of \$332,065,202 and deferred capital losses of \$29,397,034 which will reduce its taxable income arising from future net realized gains on investment transactions, if any, to the extent permitted by the Internal Revenue Code, and thus will reduce the amount of distributions to shareholders, which would otherwise be necessary to relieve the Fund of any liability for federal income or excise tax. Such capital loss carryforward will expire on December 31, 2017 (\$232,948,451) and December 31, 2018 (\$99,116,751). The deferred capital losses are treated as arising on the first day of the Fund's next taxable year and are treated as realized prior to the utilization of the capital loss carryforward.

As of December 31, 2013, the Fund had no uncertain tax positions that would require financial statement recognition, de-recognition, or disclosure. The Fund files a U.S. federal income tax return annually after its fiscal year-end, which is subject to examination by the Internal Revenue Service for a period of three years from the date of filing.

E Expense Reduction State Street Bank and Trust Company (SSBT) serves as custodian of the Fund. Pursuant to the custodian agreement, SSBT receives a fee reduced by credits, which are determined based on the average daily cash balance the Fund maintains with SSBT. All credit balances, if any, used to reduce the Fund's custodian fees are reported as a reduction of expenses in the Statement of Operations.

F Foreign Currency Translation Investment valuations, other assets, and liabilities initially expressed in foreign currencies are translated each business day into U.S. dollars based upon current exchange rates. Purchases and sales of foreign investment securities and income and expenses denominated in foreign currencies are translated into U.S. dollars based upon currency exchange rates in effect on the respective dates of such transactions. Recognized gains or losses on investment transactions attributable to changes in foreign currency exchange rates are recorded for financial statement purposes as net realized gains and losses on investments. That portion of unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed.

G Use of Estimates The preparation of the 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 at the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates.

H Indemnifications Under the Fund's organizational documents, its officers and Trustees may be indemnified against certain liabilities and expenses arising out of the performance of their duties to the Fund. Under Massachusetts law, if certain conditions prevail, shareholders of a Massachusetts business trust (such as the Fund) could be deemed to have personal liability for the obligations of the Fund. However, the Fund's Declaration of Trust contains an express disclaimer of liability on the part of Fund shareholders and the By-laws provide that the Fund shall assume the defense on behalf of any Fund shareholders. Moreover, the By-laws also provide for indemnification out of Fund property of any shareholder held personally liable solely by reason of being or having been a shareholder for all loss or expense arising from such liability. Additionally, in the normal course of business, the Fund enters into agreements with service providers that may contain indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred.

I Forward Foreign Currency Exchange Contracts The Fund may enter into forward foreign currency exchange contracts for the purchase or sale of a specific foreign currency at a fixed price on a future date. The forward foreign currency exchange contracts are adjusted by the daily exchange rate of the underlying currency and any gains or losses are recorded as unrealized until such time as the contracts have been closed. Risks may arise upon entering these contracts from the potential inability of counterparties to meet the terms of their contracts and from movements in the value of a foreign currency relative to the U.S. dollar.

J Written Options Upon the writing of a call or put option, the premium received by the Fund is included in the Statement of Assets and Liabilities as a liability. The amount of the liability is subsequently marked-to-market to reflect the current market value of the option written, in accordance with the Fund's policies on investment valuations discussed above. Premiums received from writing options which expire are treated as realized gains. Premiums received from writing options which are exercised or are closed are added to or offset against the proceeds or amount paid on the transaction to determine the realized gain or loss. When

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an index option is exercised, the Fund is required to deliver an amount of cash determined by the excess of the strike price of the option over the value of the index (in the case of a put) or the excess of the value of the index over the strike price of the option (in the case of a call) at contract termination. If a put option on a security is exercised, the premium reduces the cost basis of the securities purchased by the Fund. The Fund, as a writer of an option, may have no control over whether the underlying securities or other assets may be sold (call) or purchased (put) and, as a result, bears the market risk of an unfavorable change in the price of the securities or other assets underlying the written option. The Fund may also bear the risk of not being able to enter into a closing transaction if a liquid secondary market does not exist.

K Purchased Options Upon the purchase of a call or put option, the premium paid by the Fund is included in the Statement of Assets and Liabilities as an investment. The amount of the investment is subsequently marked-to-market to reflect the current market value of the option purchased, in accordance with the Fund's policies on investment valuations discussed above. As the purchaser of an index option, the Fund has the right to receive a cash payment equal to any depreciation in the value of the index below the strike price of the option (in the case of a put) or equal to any appreciation in the value of the index over the strike price of the option (in the case of a call) as of the valuation date of the option. If an option which the Fund had purchased expires on

Eaton Vance

Risk-Managed Diversified Equity Income Fund

December 31, 2013

Notes to Financial Statements continued

the stipulated expiration date, the Fund will realize a loss in the amount of the cost of the option. If the Fund enters into a closing sale transaction, the Fund will realize a gain or loss, depending on whether the sales proceeds from the closing sale transaction are greater or less than the cost of the option. If the Fund exercises a put option on a security, it will realize a gain or loss from the sale of the underlying security, and the proceeds from such sale will be decreased by the premium originally paid. If the Fund exercises a call option on a security, the cost of the security which the Fund purchases upon exercise will be increased by the premium originally paid. The risk associated with purchasing options is limited to the premium originally paid.

2 Distributions to Shareholders

Subject to its Managed Distribution Plan, the Fund makes monthly distributions from its cash available for distribution, which consists of the Fund's dividends and interest income after payment of Fund expenses, net option premiums and net realized and unrealized gains on stock investments. The Fund intends to distribute all or substantially all of its net realized capital gains (reduced by available capital loss carryforwards from prior years). Distributions are recorded on the ex-dividend date. The Fund distinguishes between distributions on a tax basis and a financial reporting basis. Accounting principles generally accepted in the United States of America require that only distributions in excess of tax basis earnings and profits be reported in the financial statements as a return of capital. Permanent differences between book and tax accounting relating to distributions are reclassified to paid-in capital. For tax purposes, distributions from short-term capital gains are considered to be from ordinary income. Distributions in any year may include a substantial return of capital component.

The tax character of distributions declared for the years ended December 31, 2013 and December 31, 2012 was as follows:

	Year Ended December 31,	
	2013	2012
Distributions declared from:		
Ordinary income	\$ 6,775,606	\$ 9,367,917
Tax return of capital	\$ 70,528,833	\$ 74,596,079

During the year ended December 31, 2013, accumulated net realized loss was increased by \$636,032 and accumulated undistributed net investment income was increased by \$636,032 due to differences between book and tax accounting, primarily for investments in partnerships, distributions from real estate investment trusts (REITs) and foreign currency gain (loss). These reclassifications had no effect on the net assets or net asset value per share of the Fund.

As of December 31, 2013, the components of distributable earnings (accumulated losses) and unrealized appreciation (depreciation) on a tax basis were as follows:

Capital loss carryforward and deferred capital losses	\$ (361,462,236)
Net unrealized appreciation	\$ 285,178,516

The differences between components of distributable earnings (accumulated losses) on a tax basis and the amounts reflected in the Statement of Assets and Liabilities are primarily due to wash sales, foreign currency gain (loss), purchased and written options contracts, distributions from REITs and investments in partnerships.

3 Investment Adviser Fee and Other Transactions with Affiliates

The investment adviser fee is earned by EVM as compensation for management and investment advisory services rendered to the Fund. The fee is computed at an annual rate of 1.00% of the Fund's average daily gross assets and is payable monthly. Gross assets as referred to herein represent net assets plus obligations attributable to investment leverage, if any. For the year ended December 31, 2013, the Fund's investment adviser fee amounted to \$8,549,710. The Fund invests its

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cash in Cash Reserves Fund. EVM does not currently receive a fee for advisory services provided to Cash Reserves Fund. EVM also serves as administrator of the Fund, but receives no compensation.

Trustees and officers of the Fund who are members of EVM's organization receive remuneration for their services to the Fund out of the investment adviser fee. Trustees of the Fund who are not affiliated with EVM may elect to defer receipt of all or a percentage of their annual fees in accordance with the terms of the Trustees Deferred Compensation Plan. For the year ended December 31, 2013, no significant amounts have been deferred. Certain officers and Trustees of the Fund are officers of EVM.

Eaton Vance

Risk-Managed Diversified Equity Income Fund

December 31, 2013

Notes to Financial Statements continued

4 Purchases and Sales of Investments

Purchases and sales of investments, other than short-term obligations, aggregated \$354,723,609 and \$562,587,614, respectively, for the year ended December 31, 2013.

5 Common Shares of Beneficial Interest

The Fund may issue common shares pursuant to its dividend reinvestment plan. There were no common shares issued by the Fund for the years ended December 31, 2013 and December 31, 2012.

On August 6, 2012, the Board of Trustees of the Fund authorized the repurchase by the Fund of up to 10% of its then currently outstanding common shares in open-market transactions at a discount to net asset value (NAV). On September 30, 2013, the Board of Trustees of the Fund approved the continuation of the Fund's share repurchase program. The Board authorized the repurchase by the Fund of up to 10% of its common shares outstanding as of September 30, 2013 in open market transactions at a discount to NAV. The terms of the reauthorization increased the number of shares available for repurchase. The repurchase program does not obligate the Fund to purchase a specific amount of shares. During the years ended December 31, 2013 and December 31, 2012, the Fund repurchased 3,375,242 and 2,696,100, respectively, of its common shares under the share repurchase program at a cost, including brokerage commissions, of \$37,418,162 and \$28,538,342, respectively, and an average price per share of \$11.09 and \$10.59, respectively. The weighted average discount per share to NAV on these repurchases amounted to 10.53% and 12.12% for the years ended December 31, 2013 and December 31, 2012, respectively.

In November 2013, the Fund announced that its Board of Trustees had authorized a conditional one-time cash tender offer for 10% of the Fund's outstanding shares, to be triggered if certain prescribed conditions relating to the Fund's average monthly market trading discount to net asset value per share (NAV) are met. In particular, if the Fund's daily discount to NAV (as measured based on each day's volume-weighted average market price) averages more than 9.75% for any of the months of February, March, April or May 2014, the Fund will conduct a tender offer for 10% of its shares outstanding on the commencement date of the tender offer (or such lesser amount that is properly tendered and not withdrawn) at a price of 96% of the Fund's NAV. The tender offer would commence within 30 days of the end of the month in which the triggering event occurs.

6 Federal Income Tax Basis of Investments

The cost and unrealized appreciation (depreciation) of investments of the Fund at December 31, 2013, as determined on a federal income tax basis, were as follows:

Aggregate cost	\$ 575,770,399
Gross unrealized appreciation	\$ 288,772,967
Gross unrealized depreciation	(3,633,525)
Net unrealized appreciation	\$ 285,139,442

7 Financial Instruments

The Fund may trade in financial instruments with off-balance sheet risk in the normal course of its investing activities. These financial instruments may include written options and foreign forward currency exchange contracts and may involve, to a varying degree, elements of risk in excess of the amounts recognized for financial statement purposes. The notional or contractual amounts of these instruments represent the investment the Fund has in particular classes of financial instruments and do not necessarily represent the amounts potentially subject to risk. The measurement of the risks associated with these instruments is meaningful only when all related and offsetting transactions are considered. A summary of written options at December 31, 2013 is included in the Portfolio of Investments.

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A summary of obligations under these financial instruments at December 31, 2013 is as follows:

Forward Foreign Currency Exchange Contracts

Settlement Date	Deliver	In Exchange For	Counterparty	Unrealized Appreciation	Unrealized (Depreciation)	Net Unrealized Appreciation
1/31/14	Japanese Yen 631,000,000	United States Dollar 6,024,844	Credit Suisse International	\$32,332	\$	\$ 32,332
				\$32,332	\$	\$ 32,332

Eaton Vance

Risk-Managed Diversified Equity Income Fund

December 31, 2013

Notes to Financial Statements continued

Written options activity for the year ended December 31, 2013 was as follows:

	Number of Contracts	Premiums Received
Outstanding, beginning of year	5,562	\$ 4,805,536
Options written	64,876	53,075,556
Options terminated in closing purchase transactions	(38,925)	(32,936,671)
Options expired	(27,105)	(21,206,033)
Outstanding, end of year	4,408	\$ 3,738,388

All of the assets of the Fund are subject to segregation to satisfy the requirements of the escrow agent. At December 31, 2013, the Fund had sufficient cash and/or securities to cover commitments under these contracts.

In the normal course of pursuing its investment objectives, the Fund is subject to the following risks:

Equity Price Risk: The Fund pursues a collared options strategy which consists of buying S&P 500 index put options below the current value of the index and writing S&P 500 index call options above the current value of the index with the same expiration. The strategy uses the premium income from the written call options to buy an equal number of put options. In buying put options on an index, the Fund in effect, acquires protection against decline in the value of the applicable index below the exercise price in exchange for the option premium paid. In writing index call options, the Fund in effect, sells potential appreciation in the value of the applicable index above the exercise price. The Fund retains the risk of lost appreciation, minus the premium received, should the price of the underlying index rise above the strike price. Under normal market conditions, the Fund's use of option collars is expected to provide a more consistent level of market exposure and market protection. During the year ended December 31, 2013, the Fund also entered into a combination of option transactions on an individual security to seek return and/or to seek to reduce the Fund's exposure to a decline in the stock price.

Foreign Exchange Risk: Because the Fund holds foreign currency denominated investments, the value of these investments and related receivables and payables may change due to future changes in foreign currency exchange rates. To hedge against this risk, the Fund enters into forward foreign currency exchange contracts.

The Fund enters into forward foreign currency exchange contracts that may contain provisions whereby the counterparty may terminate the contract under certain conditions, including but not limited to a decline in the Fund's net assets below a certain level over a certain period of time, which would trigger a payment by the Fund for those derivatives in a liability position. At December 31, 2013, the Fund had no open derivatives with credit-related contingent features in a net liability position.

The non-exchange traded derivatives in which the Fund invests, including forward foreign currency exchange contracts, are subject to the risk that the counterparty to the contract fails to perform its obligations under the contract. Counterparties may be required to pledge collateral in the form of cash, U.S. Government securities or highly-rated bonds for the benefit of the Fund if the net amount due from the counterparty with respect to a derivative contract exceeds a certain threshold.

The fair value of open derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) by risk exposure at December 31, 2013 was as follows:

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Risk	Derivative	Fair Value	
		Asset Derivative	Liability Derivative
Equity Price	Purchased options	\$ 1,021,140 ⁽¹⁾	\$
Equity Price	Written options		(9,956,820) ⁽²⁾
Foreign Exchange	&nbs		