



## Overview

The Alternative Investment Trust (**the Trust / AIQ or AIT**) is classified as a fund of hedge funds in accordance with the Australian Securities and Investments Commission Regulatory Guide 240 "Hedge funds: Improving disclosure".

Columbus Investment Services Limited ABN 69 095 162 931 AFSL 221183 (CISL) as Responsible Entity of the Trust is required to provide extra information to you, as a retail investor in the Trust.

This disclosure contains the extra information and will be provided to you on an annual basis. The information is also available on the Trust's website, [www.thealternativeinvestmenttrust.com](http://www.thealternativeinvestmenttrust.com).

## Asset Allocation

As at 31 December 2018, please refer to the Monthly Fact Sheet for December 2018.

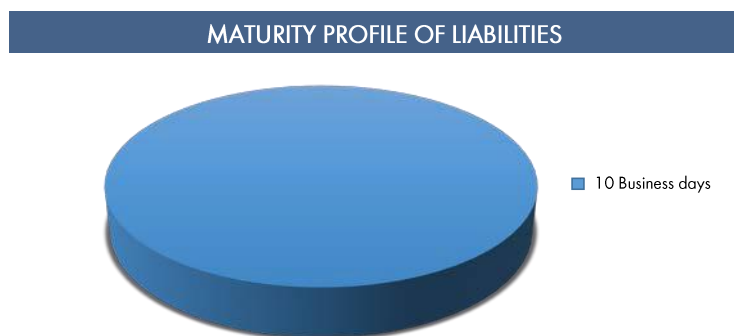
## Counterparties

For the period 1 January 2018 to 31 December 2018, the Trust did not engage any new counterparties. Until 30 November 2018 the Trust held an OTC Total Return Swap (Swap) issued by Macquarie. Following the unwind of the Swap the Trust has direct exposure to the underlying assets originally held via the Swap.

## Maturity & Liquidity Profile of the Trust's Assets

The table and chart below demonstrate the maturity and liquidity profile of the Trust as at 31 December 2018, ie the Trust's ability to realize its assets in a timely manner. Other than Cash (22.2%) the remaining positions held by the Trust have a liquidity profile greater than 12 months.

ASSET BREAKDOWN	A\$mm
Legacy AIT Funds	\$ 3.4
Investment in Warana 2018 Fund <sup>(1)</sup>	\$ 3.4
King Street Real Estate Fund (Offshore PF), LP	\$ 0.8
Investment in Warana Co-Investment Fund I	\$ 0.3
Unfunded Capital Commitments	\$ 2.0
Other Net Cash	\$ 2.8
<b>Total</b>	<b>\$ 12.6</b>



(Note: Some totals may not sum due to rounding)

## Leverage Ratio

The Trust is exposed to leverage through its investments in the underlying funds. Other than this, the Trust does not borrow money to generate leverage.

## The Trust's Annual Investment Returns

The performance figures in the table below represent the Trust's annual investment returns of the Net Asset Value (NTA), net of fees and charges, for the five yearly periods shown. A yearly period is the financial year 1 January to 31 December.

The Performance of the Trust for the last past 5 years per the December 2018 Fact Sheet:

DATE	RETAIL
2018	8.8%
2017	(12.8)%
2016	(12.6)%
2015	(0.1)%
2014	3.4%

## Changes to Key Service Providers

There have been no changes to key service providers as set out in the monthly Fact Sheet.



## Legal Notice

Columbus Investment Services Limited (ABN 69 095 162 931) (AFSL 221 183) ("Columbus" or "CISL") is the responsibility entity of the Alternative Investment Trust (ARSN 112 129 218) ("Trust" or "AIT"). The information contained in this Annual Report was not prepared by Columbus but was prepared by other parties. While Columbus has no reason to believe that the information is inaccurate, the truth or accuracy of the information contained therein cannot be warranted or guaranteed. Anyone reading this report must obtain and rely upon their own independent advice and inquiries.

Warana Capital Pty Limited (ABN: 44 611 063 579; AFSL: 493579) ("Warana") is authorised by and registered with the Australian Securities and Investments Commission. Warana is the investment manager of the Alternative Investment Trust. Warana believes that the information contained in this Annual Report is accurate when issued. Warana does not warrant that such information or advice is accurate, reliable, complete or up-to-date, and to the fullest extent permitted by law, disclaims all liability of Warana and its associates. This Annual Report should be regarded as general information only rather than advice. In preparing this Annual Report, Warana did not take into account the investment objectives, financial situation and particular needs of any individual person.

AIT is exposed to foreign exchange risk as a result of investments in financial instruments denominated in foreign currencies, particularly US dollars. AIT has exposure to foreign currency risk implicit in the value of portfolio securities denominated in a foreign currency and transactional exposure arising from the purchase or sale of securities. The Investment Manager and Responsible Entity have not hedged AIT's exposure to the US dollar. The information contained in this Annual Report must not be copied or disclosed in whole or in part without the prior written consent of Warana, and Warana accepts no liability whatsoever for the actions of third parties in this respect. It is presented for informational purposes only and is not to be construed as a solicitation or an offer or recommendation to buy or sell any securities. Any opinions expressed in this Annual Report constitute Warana's judgement at the time of issue and may be subject to change without notice. Warana is not obliged to update the information. The information must not be used by recipients as a substitute for the exercise of their own judgment and investigation. Neither Warana nor any of their directors, employees or agents accepts any liability for any loss or damage arising out of the use of all or part of, or any omission, inadequacy or inaccuracy in, this Annual Report.

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