

ALPS | RED ROCKS LISTED PRIVATE EQUITY FUND

LPEFX | LPFCX | LPEIX

Fund Performance as of 9/30/18

	Annualized							Expense Ratios	
	3 Mo.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception ¹	Total Expense Ratio	What You Pay ⁴
Class I	5.72%	4.26%	5.69%	12.92%	9.84%	7.06%	3.44%	1.68%	1.68%
Class Inv (NAV)	5.67%	4.20%	5.60%	12.64%	9.50%	6.77%	3.15%	1.99%	1.99%
Class A (NAV)	5.67%	4.20%	5.60%	12.64%	9.50%	6.77%	3.15%	1.99%	1.99%
Class A (MOP)	-0.13%	-1.59%	-0.25%	10.53%	8.27%	6.17%	2.61%		
Class C (NAV)	5.40%	3.53%	4.73%	11.80%	8.74%	5.95%	2.36%	2.65%	2.65%
Class C (CDSC)	4.40%	2.53%	3.81%	11.80%	8.74%	5.95%	2.36%		
MSCI World Index ²	5.10%	5.89%	11.84%	14.18%	9.89%	9.18%	5.79%		
Red Rocks Global Listed Private Equity Index ³	5.35%	5.08%	6.80%	13.92%	9.79%	8.06%	4.08%		

Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance data may be higher or lower than actual data quoted. The fund imposes a 2.00% redemption fee on shares held for less than 90 days. For the most current month-end performance data please call (866) 759-5679.

Effective December 1, 2017, Class A shares of the ALPS | Red Rocks Listed Private Equity Fund were renamed Investor Class shares and such shares will be offered without an initial sales charge or a contingent deferred sales charge. CDSC performance for Class C shares includes a 1% contingent deferred sales charge (CDSC) on C shares redeemed within 12 months of purchase. Performance shown at NAV does not include these sales charges and would have been lower had it been taken into account.

Effective June 12, 2018, Class A shares of the ALPS | Red Rocks Listed Private Equity Fund were added as a new available fund class. Performance for Class A Shares prior to June 12, 2018 reflects the historical performance of the respective Fund's Investor Class Shares, calculated using the fees and expense of Class A Shares.

Performance shown for Class C Shares prior to June 30, 2010 reflects the historical performance of the Fund's Class Inv Shares, calculated using the fees and expenses of Class C shares.

¹ Fund inception date of 12/31/2007.

² MSCI World Index: Morgan Stanley Capital International's market capitalization weighted index is composed of companies representative of the market structure of 22 developed market countries in North America, Europe, and the Asia/Pacific Region. You cannot invest directly in an index.

³ The Red Rocks Global Listed Private Equity Index includes securities, ADRs and GDRs of 40 to 75 private equity companies, including business development companies, master limited partnerships and other vehicles whose principal business is to invest in, lend capital to or provide services to privately held companies.

⁴ What You Pay reflects the Adviser and Sub-Adviser's decision to contractually limit expenses through February 28, 2019. Please see the prospectus for additional information.

Q3 2018 Portfolio Review

The ALPS|Red Rocks Listed Private Equity Fund Investor shares (LPEFX) outperformed its benchmark for the quarter by 57 basis points as the fund returned 5.67% vs the MSCI World Index return for the quarter of 5.10%.

Over longer investment periods, the Fund continues to perform in-line with its benchmarks, providing five-year annualized returns of 9.50% per year vs. 9.89% for the MSCI World Index and 9.79% for the Global Listed Private Equity Index.

The fund's relative performance was particularly strong in September as our U.S. Listed Private Equity (LPE) holdings, particularly IAC/ InterActiveCorp, performed very well and most of our underlying private asset holdings continued to produce attractive earnings increases. Additionally, most of our private company exits during the quarter were favorable vs Net Asset Values (NAVs). Finally, the Facebook, Apple, Amazon, Netflix and Alphabet's Google (FAANG) stocks that are so influential in the majority of broad-based equity indexes, including our benchmark, finally cooled off. This quarter's performance came in despite the strong dollar acting as a headwind.

Net contributors to performance for the quarter included:

- IAC/InterActiveCorp
- Brookfield Asset Management Inc.
- The Blackstone Group LP
- KKR & Co. LP

Net detractors to performance included:

- Aurelius Equity Opportunities SE & Co. KGaA
- Naspers Ltd.
- Schouw & Co. AB
- FS Investment Corp

Key Purchases and Exits

We added two new names during the quarter and did not exit any names. We ended the quarter with 46 holdings.

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Notable Underlying Transactions

Some notable acquisitions of private investments by our Listed Private Equity (LPE) management teams were;

- 3i's Ponroy acquired Densmore, a natural food supplement lab focused on treatment of eye diseases
- 3i Infrastructure purchased Tampnet a leading independent offshore telecom network
- BBU purchased Ouro Verde, a leading Brazilian heavy equipment fleet management company
- BIP purchased Enercare, a home and commercial services energy solutions company
- BAM purchased Forest City Realty Trust a U.S. based REIT focused on major metro areas in the U.S.

Notable Dispositions of private investments by our LPE management teams

- Onex IPO'd SIG Combibloc Group, a leading provider of aseptic carton packaging solutions
- Wendel sold CSP Technologies, a high-tech packaging solutions specialist

Outlook

The extended recovery post-Global Financial Crisis (GFC) has certainly made it more difficult to find significantly undervalued investments whether you are looking in the public equities space or Private Equity (PE). We continue to believe that private companies offer similar, if not higher earnings growth rates at lower earnings multiples. We believe the operational improvements effected by our LPE management teams continue to add alpha to the investment process. We are also seeing slightly higher price discounts to NAV than we've seen recently, implying additional value in the LPE space. We believe the continued increasing allocations to private capital by institutional investors and the very healthy Mergers & Acquisitions (M&A) environment may prove to be tailwinds for our investments over the next few quarters. Despite the optimism, we continue to keep a close eye on the increases in the use of financial leverage.

Global Capital Markets – 2018 Q3 – Commentary

Macro / Global

2018 Q3 was characterized by the US-leading equity returns, driven largely by a booming US economy, along with rising US Treasury yields and a strengthening dollar. The dollar strength and concerns about US trade policy worked to mute international equity markets relative to the US markets, and rising rates with only marginally tighter credit spreads created challenges for fixed income returns globally. Emerging market equity returns were down slightly hampered by US dollar strength and international trade tensions. The US Federal Reserve raised rates for the 4th time since mid-December 2017 on Sept 26th setting the target rate at 2.25% and, importantly, in their statement dropped the longstanding language of "accommodative" surrounding monetary policy, and reaffirmed its outlook for further gradual hikes into 2019. US duration-sensitive fixed income assets suffered as US Treasury yields rose 20 basis points during the quarter ending at 3.06% on the 10-year. US and most global credit spreads had spiked to a local high right at the end of Q2 and as a result, credit spreads tightened overall during the quarter. A strong US Dollar and weak industrial metals prices guided broad-based commodity returns lower despite a slightly positive return for energy commodities.

Global Capital Markets – 2018 Q3 – Broad Index Returns

Returns in US \$ terms unless otherwise stated

Index / Fund	Exposure	2018 Q3 Return	YTD Return	LTM Return
LPEFX	Listed PE	5.67%	4.20%	5.60%
GLPE	Listed PE	5.33%	4.95%	6.97%
MSCI World	Global Equity ex EM	5.10%	5.89%	11.85%
MSCI ACWI	Global Equity including EM	4.39%	4.24%	10.34%
S&P 500	US Equity	7.65%	10.37%	17.83%
Stoxx 600 (in Eur)	Euro Zone Equity	-0.12%	-3.35%	-3.75%
FTSE All-Share	UK Equity	-1.99%	-2.80	3.01%
MSCI Asia ex Japan	Asia Equity ex Japan	-1.51%	-6.15%	-1.67%
MSCI Japan (in JPY)	Japanese Equity	3.77%	1.77%	10.54%
MSCI EM	Emerging Market Equity	-1.00%	-7.49%	-0.50%
Thompson-Reuters TR Commodity	Commodities – Broad-Based	-2.61%	0.67%	6.59%
WTI	Commodities – Oil	-1.21%	21.23%	41.77%
US 10 Yr	US Treasury	-0.97%	-3.42%	-3.31%
Bloomberg-Barclay US Agg	US Aggregate Fixed Income	0.02%	-1.60%	-1.22%

As of: 09/30/2018. Source: Bloomberg

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PE Lessons Ten Years Post Lehman Collapse

The GFC era that the collapse of Lehman Brothers heralded in, has just surpassed its 10 year anniversary and may, for some, bring about a time to reflect on lessons learned from the difficult event. Regardless of asset class or sector and including the private equity asset class, it seems that the main lesson that should have been learned – that of the dangers of using high leverage to amplify equity returns – have yet to be learned as we see various forms of more aggressive lending and higher levels of debt forming as the expansion extends its length of time. Let's hope that the GFC remains an extreme example of the mis-use of leverage.

Encouraging for PE investors is that one lesson seems to have taken hold. Operational improvements and associated increases in earnings that the PE sector has thoroughly embraced post-crises can be directly influenced by the PE team and is the main source of alpha in PE returns. At Red Rocks Capital (RRC), we believe that LPE companies, in particular, are focused on improving earnings through operational efficiencies as they are frequently balance sheet investors and have no mandatory horizon to exit an investment. The management teams that we select to include in our portfolio are hands-on and very actively take actions to improve the operations of the private companies they own. We would like to share some recent examples.

3i Group took their 2007 stake in Scandlines, a market leading European ferry operator connecting Scandinavia with Continental Europe, and improved operations in several ways. First, it reduced and concentrated what was a disparate set of routes to a focused link between Germany and Denmark. 3i then worked with Scandlines to build two new ferries to increase capacity for focused routes, upgraded port facilities, invested in green technology, and through its extensive network of world class corporate talent, upgraded executive management. As a result of 3i's improvements in Scandline operations, 3i exited the investment in March of 2018 having created a leading ferry operator in Europe, significant revenue and Earnings before interest, tax, depreciation and amortization (EBITDA) gains, and achieving a 7.0X multiple on exit for its' investment.

Aurelius Group acquired Getronics, a global provider of digital cloud transformation solutions, in 2012. Getronics was a carve-out from KPN International. At the time of acquisition, Getronics was an underperformer in low margin segments of telecommunications onsite support and field services lacking integration or group strategy and suffering from low-margins and poor customer renewal rates. Aurelius achieved significant cost reductions through outsourcing logistics and standardizing operations. Aurelius also helped stabilize top-line figures through implementation of systematic customer renewal and upselling roadmap. Aurelius and Getronics then embarked on a series of strategic bolt-on acquisitions to create a company with a modernized comprehensive portfolio of IT services with a focus on higher margin offerings. Aurelius exited the Getronics investment in 2017. The net result of Aurelius efforts to improve and restructure operations was an increase in annual EBITDA from 2.0MM EUR to 31.1MM EUR and an exit enterprise value of EUR 220.0MM.

Scandlines and Getronics are just two examples of how the PE management teams RRC invests in utilize their deep and tested corporate strategy skills and broad network of professional connections to positively influence the operations of their portfolio companies, increase earnings and ultimately bring real value to the market and to our LPE fund.

C Corp Conversion?

In a nutshell, the new tax laws and primarily the associated significantly lower corporate tax rate have provided an added incentive to an item that has been discussed for years. Publicly traded partnerships such as some of the largest PE companies have felt that their shares have been persistently undervalued due to several partnership-related reasons, primarily that of not being eligible for a wider investment universe. By converting to a C Corp, PE partnerships firms will gain the benefits of a much-expanded investor universe by being eligible for inclusion in most broad equity indexes and, by association, the ETF products that derive their portfolios from the indexes. By gaining such investor access, it is believed they may benefit from expanded valuation multiples. There are, however drawbacks to the conversion, chief among them is that shareholders who, under the partnership structure, receive incentive fee income as a pass through that is taxed at the capital gains rate, would, under the corporate structure, have that income taxed first at the corporate rate before it was passed to them. Two firms to date have made the move thus far, Ares and KKR and both conversions were in the 1st half of 2108. Other partnerships are taking a wait-and-see approach. Not surprisingly they tend to be more management fee weighted vs their incentive fee-weighted counterparts such as Blackstone. That said, recent commentary by Blackstone has indicated that they are seriously considering the conversion.

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Top 10 Holdings^A as of 9/30/18

IAC/InterActiveCorp	5.84%	Intermediate Capital Group PLC	3.38%
KKR & Co. LP	4.62%	Brookfield Asset Management, Inc.	3.33%
The Blackstone Group LP	4.15%	Berkshire Hathaway, Inc.	3.24%
AURELIUS Equity Opportunities SE & Co. KGaA	3.80%	Partners Group Holding AG	3.23%
HarbourVest Global Private Equity, Ltd.	3.70%	Top Ten Holdings	38.94%
3i Group PLC	3.65%	Total Number of Holdings	46

^A Future holdings are subject to change.

Important Disclosures & Definitions

An investor should consider investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, visit www.lpefund.com which contain this and other information, or call (866) 759-5679. Read the prospectus carefully before investing.

Certain of the Fund's investments may be exposed to liquidity risk due to low trading volume, lack of a market maker or legal restrictions limiting the ability of the Fund to sell particular securities at an advantageous price and/or time. As a result these securities may be more difficult to value. Foreign investing involves special risks such as currency fluctuations and political uncertainty. The fund invests in derivatives and is subject to the risk that the value of those derivative investments will fall because of pricing difficulties or lack of correlation with the underlying investment.

There are inherent risks in investing in private equity companies, which encompass financial institutions or vehicles whose principal business is to invest in and lend capital to privately – held companies. Generally, little public information exists for private and thinly traded companies, and there is a risk that investors may not be able to make a fully informed investment decision.

Listed Private Equity Companies may have relatively concentrated investment portfolios, consisting of a relatively small number of holdings. A consequence of this limited number of investments is that the aggregate returns realized may be adversely impacted by the poor performance of a small number of investments, or even a single investment, particularly if a company experiences the need to write down the value of an investment.

The statement and opinions expressed are those of the author. Any discussion of investments and investment strategies represent the author's views as of the date of this article, and are subject to change without notice.

Diversification does not eliminate the risk of experiencing investment losses.

ALPS | Red Rocks Listed Private Equity Fund is a series of Financial Investors Trust.

Red Rocks Global Listed Private Equity Index: includes securities, ADRs and GDRs of 40 to 75 private equity companies, including business development companies, master limited partnerships and other vehicles whose principal business is to invest in, lend capital to or provide services to privately held companies.

MSCI World Index: Morgan Stanley Capital International's market capitalization weighted index is composed of companies representative of the market structure of 22 developed market countries in North America, Europe, and the Asia/Pacific Region.

Bloomberg Commodity Index: The Bloomberg Commodity Index (BCOM) is a broadly diversified commodity price index that reflects commodity futures price movements.

MSCI Europe Index: The MSCI Europe Index represents the performance of large and mid-cap equities across 15 developed countries in Europe.

MSCI ACWI: The MSCI All Country World Index (ACWI) captures large and mid cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries.

Bloomberg Barclays US Aggregate Bond Index: The Bloomberg Barclays US Aggregate Bond Index is a broad-based index that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market.

S&P 500 Index: The Standard & Poor's 500 Index (S&P 500) is an index of 500 of the largest U.S. companies, listed on the New York Stock Exchange or NASDAQ, selected by the Standard & Poor's Index Committee based on market capitalization.

One may not invest directly in an index.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the ALPS | Red Rocks Listed Private Equity Fund.