



# THE PIEDMONT SELECT

*equity fund*

## **Semi-Annual Report**

September 30, 2017  
(Unaudited)

This report and the financial statements contained herein are submitted for the general information of the shareholders of The Piedmont Select Equity Fund (the "Fund"). This report is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus. Mutual fund shares are not deposits or obligations of, or guaranteed by, any depository institution. Shares are not insured by the FDIC, Federal Reserve Board or any other agency, and are subject to investment risks, including possible loss of principal amount invested. Neither the Fund nor the Fund's distributor is a bank.



# The Piedmont Select Equity Fund

Letter to Shareholders

November, 2017

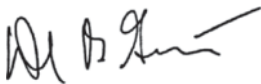
For the twelve months ended September 30, 2017, the Fund was up 9.74% and the Standard & Poor's 500 (the "Index") was up 18.61%, continuing the Fund's record of good actual increases but under-performing the broad index. For the one year period, the Fund performed in line with its five-year average of 9.60%. While the Fund is weighted in line with the Index in Information Technology, we have avoided some of the stocks we consider to be extremely over-valued such as Tesla, Amazon and Netflix which along with our cash position, contributed to our under-performance. While we were wrong, we do not intend to expose ourselves to the risk at the highest end of valuation.

Our three best performing stocks were CarMax, Inc. up 48.29%, a fairly recent acquisition that we both added to and subtracted from as the company lost and then gained favor in the investment community. Second was ServiceNow, Inc. up 48.02% and third was Microchip Technology, Inc. up 44.33%, riding the crest of the technology wave. We have taken profits in both stocks as valuations have become extended.

Our losses include Chicago Bridge & Iron Co., down 34.56%, a longer term holding that was not able to recover from its oil industry business, which we finally sold to harvest the losses for tax reasons. Second was J.M Smucker Co., down 17.71%, a long-term holding that we continue to have long-term profits in and we believe has significant recovery potential in its coffee and pet food sectors. Stericycle, Inc. was the third worst, down 17.35%, over a short holding period and it was sold for tax reasons. We think that the company is a good value at current prices and we will revisit adding it to the portfolio if they can demonstrate the ability to return to increasing sales and earnings as in the past.

We continue to attempt to provide acceptable returns on a risk-adjusted basis in higher quality companies and believe that our current portfolio will accomplish our goals.

Sincerely,



David B. Gilbert

*Past performance is not predictive of future performance. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. Performance data current to the most recent month-end, are available by calling 1-888-859-5865.*

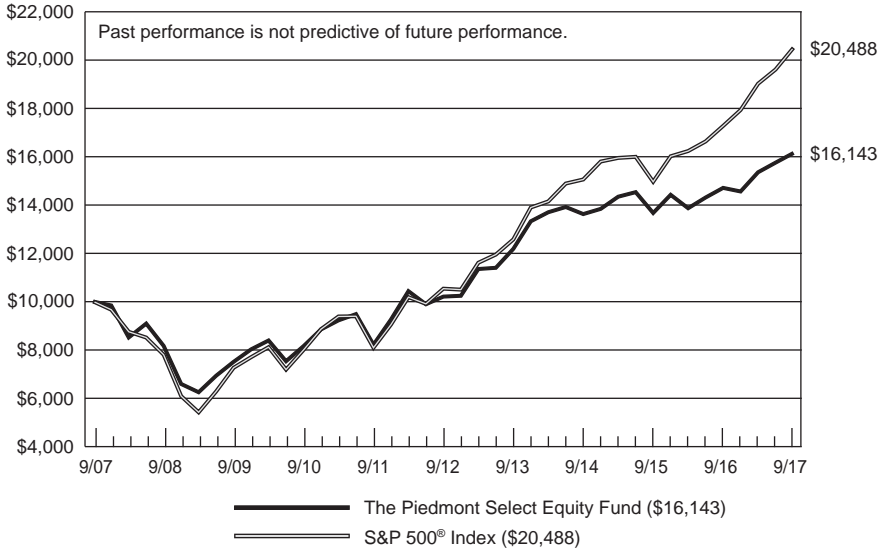
*An investor should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The Fund's prospectus contains this and other important information. To obtain a copy of the Fund's prospectus please call 1-888-859-5865 and a copy will be sent to you free of charge or download a copy at [www.piedmontselectequityfund.com](http://www.piedmontselectequityfund.com). Please read the prospectus carefully before you invest. The Fund is distributed by Ultimus Fund Distributors, LLC.*

The Letter to Shareholders seeks to describe some of the Adviser's current opinions and views of the financial markets. Although the Adviser believes it has a reasonable basis for any opinions or views expressed, actual results may differ, sometimes significantly so, from those expected or expressed.

# The Piedmont Select Equity Fund

## Performance Information (Unaudited)

### Comparison of the Change in Value of a \$10,000 Investment in The Piedmont Select Equity Fund and the S&P 500® Index



#### Average Annual Total Returns (for periods ended September 30, 2017)

	<u>1 Year</u>	<u>5 Years</u>	<u>10 Years</u>
The Piedmont Select Equity Fund <sup>(a)</sup>	9.74%	9.60%	4.91%
S&P 500® Index	18.61%	14.22%	7.44%

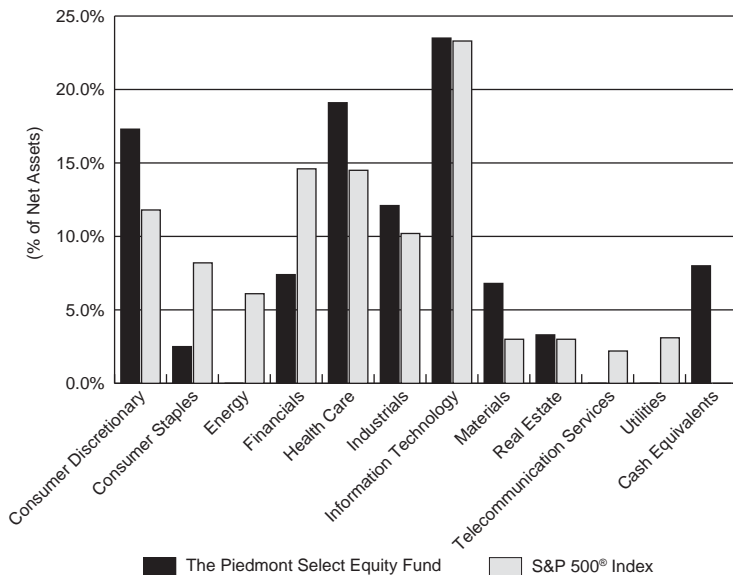
<sup>(a)</sup> The total returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

# The Piedmont Select Equity Fund

## Portfolio Holdings

September 30, 2017 (Unaudited)

### The Piedmont Select Equity Fund vs. S&P 500® Index Sector Exposure



### Top 10 Long Positions

Security Description	% of Net Assets
CarMax, Inc.	4.3%
Visa, Inc. - Class A	4.3%
Intuit, Inc.	4.0%
Microchip Technology, Inc.	4.0%
Copart, Inc.	4.0%
Alphabet, Inc. - Class C	3.9%
Ecolab, Inc.	3.9%
Quintiles IMS Holdings, Inc.	3.8%
ServiceNow, Inc.	3.8%
Cardinal Health, Inc.	3.8%

# The Piedmont Select Equity Fund

## Schedule of Investments

September 30, 2017 (Unaudited)

Shares	COMMON STOCKS — 92.0%	Value
	<b>Consumer Discretionary — 17.3%</b>	
	<i>Distributors — 3.6%</i>	
25,000	LKQ Corp. * .....	\$ 899,750
	<i>Hotels, Restaurants &amp; Leisure — 3.0%</i>	
10,000	Papa John's International, Inc. <sup>(a)</sup> .....	730,700
	<i>Specialty Retail — 7.4%</i>	
14,000	CarMax, Inc.* .....	1,061,340
12,000	Tractor Supply Co. ....	759,480
		<u>1,820,820</u>
	<i>Textiles, Apparel &amp; Luxury Goods — 3.3%</i>	
16,000	NIKE, Inc. - Class B .....	829,600
	<b>Consumer Staples — 2.5%</b>	
	<i>Food Products — 2.5%</i>	
6,000	J.M. Smucker Co. (The) .....	629,580
	<b>Financials — 7.4%</b>	
	<i>Capital Markets — 7.4%</i>	
20,000	Lazard Ltd. - Class A .....	904,400
15,000	SEI Investments Co. ....	915,900
		<u>1,820,300</u>
	<b>Health Care — 19.1%</b>	
	<i>Health Care Providers &amp; Services — 8.3%</i>	
14,000	Cardinal Health, Inc. ....	936,880
8,000	Henry Schein, Inc. * .....	655,920
3,000	Laboratory Corp. of America Holdings * .....	452,910
		<u>2,045,710</u>
	<i>Life Sciences Tools &amp; Services — 7.5%</i>	
10,000	Quintiles IMS Holdings, Inc. * .....	950,700
5,000	Waters Corp. * .....	897,600
		<u>1,848,300</u>
	<i>Pharmaceuticals — 3.3%</i>	
4,000	Allergan plc .....	819,800
	<b>Industrials — 12.1%</b>	
	<i>Air Freight &amp; Logistics — 5.2%</i>	
14,000	Expeditors International of Washington, Inc. ....	838,040
2,000	FedEx Corp. ....	451,160
		<u>1,289,200</u>

# The Piedmont Select Equity Fund

## Schedule of Investments (Continued)

Shares	COMMON STOCKS — 92.0% (Continued)	Value
	<b>Industrials — 12.1% (Continued)</b>	
	<i>Commercial Services &amp; Supplies — 6.9%</i>	
28,712	Copart, Inc. * .....	\$ 986,832
10,000	Stericycle, Inc. * .....	716,200
		<u>1,703,032</u>
	<b>Information Technology — 23.5%</b>	
	<i>Internet Software &amp; Services — 7.4%</i>	
1,003	Alphabet, Inc. - Class C * .....	961,987
5,000	Facebook, Inc. - Class A * .....	854,350
		<u>1,816,337</u>
	<i>IT Services — 4.3%</i>	
10,000	Visa, Inc. - Class A <sup>(a)</sup> .....	1,052,400
	<i>Semiconductors &amp; Semiconductor Equipment — 4.0%</i>	
11,000	Microchip Technology, Inc. ....	<u>987,580</u>
	<i>Software — 7.8%</i>	
7,000	Intuit, Inc. ....	994,980
8,000	ServiceNow, Inc. * .....	940,240
		<u>1,935,220</u>
	<b>Materials — 6.8%</b>	
	<i>Chemicals — 6.8%</i>	
7,443	Ecolab, Inc. <sup>(a)</sup> .....	957,244
6,000	Monsanto Co. ....	718,920
		<u>1,676,164</u>
	<b>Real Estate — 3.3%</b>	
	<i>Real Estate Investment Trusts (REITs) — 3.3%</i>	
12,000	W. P. Carey, Inc. ....	<u>808,680</u>
	<b>Total Common Stocks</b> (Cost \$13,954,433) .....	<u>\$ 22,713,173</u>

## The Piedmont Select Equity Fund

### Schedule of Investments (Continued)

Shares	MONEY MARKET FUNDS — 7.9%	Value
1,963,667	First American Government Obligations Fund - Class Z, 0.89% <sup>(b)</sup> (Cost \$1,963,667) .....	\$ <u>1,963,667</u>
	<b>Total Investments at Value — 99.9%</b> (Cost \$15,918,100) ....	\$ 24,676,840
	<b>Other Assets in Excess of Liabilities — 0.1%</b> .....	<u>17,614</u>
	<b>Net Assets — 100.0%</b> .....	<u>\$ 24,694,454</u>

\* Non-income producing security.

<sup>(a)</sup> All or a portion of the security is encumbered for potential short positions.

<sup>(b)</sup> The rate shown is the 7-day effective yield as of September 30, 2017.

See accompanying notes to financial statements.



# The Piedmont Select Equity Fund

## Statement of Assets and Liabilities

September 30, 2017 (Unaudited)

### ASSETS

Investments in securities:	
At cost .....	\$ 15,918,100
At value (Note 2) .....	\$ 24,676,840
Deposits with broker for securities sold short (Note 2) .....	1,679
Dividends receivable .....	25,573
Other assets .....	15,410
Total assets .....	<u>24,719,502</u>

### LIABILITIES

Payable to Advisor (Note 5) .....	7,526
Payable to administrator (Note 5) .....	6,830
Other accrued expenses .....	10,692
Total liabilities .....	<u>25,048</u>

**NET ASSETS** ..... \$ 24,694,454

### NET ASSETS CONSIST OF:

Paid-in capital .....	\$ 13,599,423
Accumulated net investment loss .....	(84,364)
Accumulated net realized gains from investments .....	2,420,655
Net unrealized appreciation on investments .....	8,758,740

**NET ASSETS** ..... \$ 24,694,454

Shares of beneficial interest outstanding  
(unlimited number of shares authorized, no par value) ..... 1,520,315

Net asset value, offering price and redemption price per share (Note 2) ..... \$ 16.24

See accompanying notes to financial statements.

# The Piedmont Select Equity Fund

## Statement of Operations

For the Six Months Ended September 30, 2017 (Unaudited)

<b>INVESTMENT INCOME</b>	
Dividend income (Net of foreign tax of \$4,933) .....	\$ 132,935
<b>EXPENSES</b>	
Investment advisory fees (Note 5) .....	110,873
Administration fees (Note 5) .....	18,579
Professional fees .....	17,518
Fund accounting fees (Note 5) .....	16,239
Registration and filing fees .....	15,668
Insurance expense .....	8,675
Transfer agent fees (Note 5) .....	6,000
Trustees' fees (Note 5) .....	5,705
Custody and bank service fees .....	4,059
Distributor services fees (Note 5) .....	3,000
Printing of shareholder reports .....	2,616
Postage and supplies .....	996
Other expenses .....	3,123
Total expenses .....	213,051
Less fees waived by the Advisor (Note 5) .....	(46,741)
Net expenses .....	166,310
<b>NET INVESTMENT LOSS</b> .....	(33,375)
<b>REALIZED AND UNREALIZED GAINS ON INVESTMENTS</b>	
Net realized gains from investments .....	1,071,064
Net change in unrealized appreciation (depreciation) on investments .....	188,743
<b>NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS</b> .....	1,259,807
<b>NET INCREASE IN NET ASSETS FROM OPERATIONS</b> .....	\$ 1,226,432

See accompanying notes to financial statements.

# The Piedmont Select Equity Fund

## Statements of Changes in Net Assets

	Six Months Ended September 30, 2017 (Unaudited)	Year Ended March 31, 2017
<b>FROM OPERATIONS</b>		
Net investment loss .....	\$ (33,375)	\$ (109,599)
Net realized gains (losses) from:		
Investments .....	1,071,064	1,647,583
Securities sold short .....	—	(44,974)
Net change in unrealized appreciation (depreciation) on investments .....	188,743	1,004,424
Net increase in net assets from operations .....	<u>1,226,432</u>	<u>2,497,434</u>
<b>FROM DISTRIBUTIONS TO SHAREHOLDERS</b>		
From net realized gains on investments .....	—	(1,733,950)
<b>FROM CAPITAL SHARE TRANSACTIONS</b>		
Proceeds from shares sold .....	1,054	32,500
Reinvestment of distributions to shareholders .....	—	311,314
Payments for shares redeemed .....	(1,016,920)	(1,048,179)
Net decrease in net assets from capital share transactions .....	(1,015,866)	(704,365)
<b>TOTAL INCREASE IN NET ASSETS</b> .....	210,566	59,119
<b>NET ASSETS</b>		
Beginning of period .....	24,483,888	24,424,769
End of period .....	<u>\$ 24,694,454</u>	<u>\$ 24,483,888</u>
<b>ACCUMULATED NET INVESTMENT LOSS</b> .....	<u>\$ (84,364)</u>	<u>\$ (50,989)</u>
<b>CAPITAL SHARE ACTIVITY</b>		
Shares sold .....	65	2,047
Shares issued in reinvestment of distributions to shareholders .....	—	21,250
Shares redeemed .....	(64,295)	(67,990)
Net decrease in shares outstanding .....	(64,230)	(44,693)
Shares outstanding, beginning of period .....	1,584,545	1,629,238
Shares outstanding, end of period .....	<u>1,520,315</u>	<u>1,584,545</u>

See accompanying notes to financial statements.

# The Piedmont Select Equity Fund

## Financial Highlights

### Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended Sept. 30, 2017 (Unaudited)	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013
Net asset value at beginning of period .....	\$ 15.45	\$ 14.99	\$ 16.80	\$ 16.44	\$ 13.62	\$ 12.52
Income (loss) from investment operations:						
Net investment loss .....	(0.02)	(0.07)	(0.05)	(0.05)	(0.06)	(0.03)
Net realized and unrealized gains (losses) on investments .....	0.81	1.62	(0.46)	0.81	2.88	1.13
Total from investment operations .....	0.79	1.55	(0.51)	0.76	2.82	1.10
Less distributions:						
From net realized gains on investments .....	—	(1.09)	(1.30)	(0.40)	—	—
Net asset value at end of period .....	\$ 16.24	\$ 15.45	\$ 14.99	\$ 16.80	\$ 16.44	\$ 13.62
Total return <sup>(a)</sup> .....	5.11% <sup>(b)</sup>	10.74%	(3.33%)	4.70%	20.70%	8.79%
Net assets at end of period (000's) .....	\$ 24,694	\$ 24,484	\$ 24,425	\$ 27,310	\$ 27,956	\$ 24,113
Ratios/supplementary data:						
Ratio of total expenses to average net assets .....	1.73% <sup>(c)</sup>	1.69%	1.66%	1.67%	1.72%	1.82%
Ratio of net expenses to average net assets <sup>(d)</sup> .....	1.35% <sup>(c)</sup>	1.36% <sup>(e)</sup>	1.35%	1.39% <sup>(e)</sup>	1.38% <sup>(e)</sup>	1.38% <sup>(e)</sup>
Ratio of net investment loss to average net assets <sup>(d)</sup> ....	(0.27%) <sup>(c)</sup>	(0.44%)	(0.34%)	(0.29%)	(0.37%)	(0.25%)
Portfolio turnover rate .....	12% <sup>(b)</sup>	45%	33%	13%	24%	43%

(a) Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions, if any, are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

(b) Not annualized.

(c) Annualized.

(d) Ratio was determined after advisory fee waivers (Note 5).

(e) The ratio of net expenses to average net assets is greater than the expense limit of 1.35% due to dividend and brokerage expense on securities sold short and interest expense, if any (Note 5).

See accompanying notes to financial statements.

# The Piedmont Select Equity Fund

## Notes to Financial Statements

September 30, 2017 (Unaudited)

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### 1. Organization

The Piedmont Select Equity Fund (the “Fund”) is a non-diversified series of The Piedmont Investment Trust (the “Trust”), which is organized as a Delaware Statutory Trust and is registered under the Investment Company Act of 1940 (the “1940 Act”) as an open-end management investment company. The Fund commenced the public offering of its shares on April 26, 2005.

The investment objective of the Fund is to provide long-term growth of capital.

### 2. Significant Accounting Policies

In October 2016, the U.S. Securities and Exchange Commission (the “SEC”) adopted amendments to Regulation S-X which impact financial statement presentation, particularly the presentation of derivative investments. The Fund has adopted these amendments, which were effective August 1, 2017, with these financial statements.

The Fund follows accounting and reporting guidance under Financial Accounting Standards Board Accounting Standards Codification Topic 946, “Financial Services – Investment Companies.” The following is a summary of the Fund’s significant accounting policies used in the preparation of its financial statements. These policies are in conformity with accounting principles generally accepted in the United States of America (“GAAP”).

**Securities Valuation** — The valuation of portfolio securities is determined in accordance with procedures established by, and under the direction of, the Board of Trustees (the “Trustees”). In calculating the Fund’s net asset value, portfolio securities are generally calculated at market value using quotations from the primary market in which they are traded. The Fund normally uses pricing services to obtain market quotations. Securities and assets for which representative market quotations are not readily available or which cannot be accurately valued using the Fund’s normal pricing procedures are valued at fair value as determined in good faith under policies approved by the Trustees and will be classified as Level 2 or 3 within the fair value hierarchy (see below), depending on the inputs used. Fair value pricing may be used, for example, in situations where (i) a portfolio security, such as a mid-cap stock, is so thinly traded that there have been no transactions for that stock over an extended period of time; (ii) the exchange on which the portfolio security is principally traded closes early; or (iii) trading of the particular portfolio security is halted during the day and does not resume prior to the Fund’s net asset value calculation. Pursuant to policies adopted by the Trustees, the investment advisor is responsible for notifying the Trustees (or the Trust’s Fair Value Committee) when it believes that fair value pricing is required for a particular security. The Fund’s policies regarding fair value pricing are intended to result in a calculation of the Fund’s net asset value that fairly reflects portfolio security values as of the time of pricing. A portfolio security’s “fair value” price may differ from the price next available for that portfolio security using the Fund’s normal pricing procedures. The Fund may be unable to receive the portfolio security’s fair value if the Fund should sell the security. The Trustees monitor and evaluate the Fund’s use of fair value pricing and periodically review the results of any fair valuation under the Fund’s policies.

# The Piedmont Select Equity Fund

## Notes to Financial Statements (Continued)

GAAP establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs
- Level 3 – significant unobservable inputs

The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement.

The following is a summary of the inputs used to value the Fund's investments as of September 30, 2017:

	Level 1	Level 2	Level 3	Total
Common Stocks .....	\$ 22,713,173	\$ —	\$ —	\$ 22,713,173
Money Market Funds .....	<u>1,963,667</u>	<u>—</u>	<u>—</u>	<u>1,963,667</u>
Total .....	<u>\$ 24,676,840</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 24,676,840</u>

Refer to the Fund's Schedule of Investments for a listing of the common stocks by industry type. As of September 30, 2017, the Fund did not have any transfers into or out of any Level. In addition, the Fund did not have any derivative instruments or assets or liabilities that were measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as of September 30, 2017. It is the Fund's policy to recognize transfers into or out of any Level at the end of the reporting period.

**Share Valuation** — The net asset value of the Fund's shares is calculated daily by dividing the total value of the Fund's assets, less liabilities, by the number of shares outstanding. The offering price and redemption price per share are equal to the net asset value per share.

**Investment Transactions** — Investment transactions are accounted for on trade date. Realized gains and losses on securities sold are determined on a specific identification basis, which is the same basis used for federal income tax purposes.

**Investment Income** — Dividend income is recorded on the ex-dividend date. Interest income is accrued as earned. Discounts and premiums on fixed income securities are amortized using the effective interest method. Withholding taxes on foreign dividends have been recorded in accordance with the Fund's understanding of the applicable country's rules and tax rates.

# The Piedmont Select Equity Fund

## Notes to Financial Statements (Continued)

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**Securities Sold Short** — The Fund sells securities short for economic hedging purposes. When the Fund sells a security short, it must borrow the security sold short and deliver it to the broker-dealer through which it made the short sale. A gain, limited to the price at which the Fund sold the security short, or a loss, unlimited in size, will be recognized upon the termination of a short sale. The Fund is also subject to the risk that it may be unable to reacquire a security to terminate a short position except at a price substantially in excess of the last quoted price. The Fund is liable for any dividends payable on securities while those securities are in a short position. As collateral for its short positions, the Fund is required under the 1940 Act to maintain assets consisting of cash, cash equivalents or liquid securities. The amount of the collateral is required to be adjusted daily to reflect changes in the value of the securities sold short. The broker may charge interest if a specified portion of the collateral is not held in cash. As of September 30, 2017, the Fund had no outstanding securities sold short.

**Dividends and Distributions** — Distributions to shareholders arising from net investment income and from net realized capital gains (if any) are declared and paid at least annually. The amount of distributions from net investment income and net realized capital gains are determined in accordance with federal income tax regulations, which may differ from GAAP. These “book/tax” differences are either temporary or permanent in nature. Dividends and distributions are recorded on the ex-dividend date. There were no distributions paid to shareholders during the six months ended September 30, 2017. The tax character of the Fund’s distributions paid during the year ended March 31, 2017 was long-term capital gains.

**Estimates** — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

### 3. Federal Income Tax

The Fund has qualified and intends to continue to qualify each year as a “regulated investment company” under Subchapter M of the Internal Revenue Code of 1986 (the “Code”). Qualification generally will relieve the Fund of liability for federal income taxes to the extent 100% of its net investment income and net realized capital gains are distributed in accordance with the Code.

In order to avoid imposition of the excise tax applicable to regulated investment companies, it is also the Fund's intention to declare as dividends in each calendar year at least 98% of its net investment income (earned during the calendar year) and 98.2% of its net realized capital gains (earned during the twelve months ended October 31) plus undistributed amounts from prior years.

# The Piedmont Select Equity Fund

## Notes to Financial Statements (Continued)

The following information is computed on a tax basis for each item as of September 30, 2017:

Cost of portfolio investments .....	\$ 15,918,100
Gross unrealized appreciation .....	\$ 9,012,114
Gross unrealized depreciation .....	(253,374)
Net unrealized appreciation .....	8,758,740
Undistributed long-term capital gains .....	1,366,104
Accumulated capital and other gains .....	970,187
Accumulated earnings .....	\$ 11,095,031

The Fund recognizes the tax benefits or expenses of uncertain tax positions only when the position is “more likely than not” to be sustained assuming examination by tax authorities. Management has reviewed the Fund’s tax positions taken on federal income tax returns for the current and all open tax years (tax years ended March 31, 2014 through March 31, 2017) and has concluded that no provision for unrecognized tax benefits or expenses is required in these financial statements.

#### 4. Investment Transactions

During the six months ended September 30, 2017, cost of purchases and sales of investment securities, other than short-term investments and U.S. government securities, were \$2,769,807 and \$4,820,026, respectively.

#### 5. Transactions with Related Parties

A Trustee and certain officers of the Trust are also officers of Sheets Smith Wealth Management, Inc. (the “Advisor”) or of Ultimus Fund Solutions, LLC (“Ultimus”), the Fund’s administrator, transfer agent and fund accounting agent, and Ultimus Fund Distributors, LLC (the “Distributor”), the Fund’s principal underwriter.

#### INVESTMENT ADVISORY AGREEMENT

Under the terms of an Investment Advisory Agreement between the Trust and the Advisor, the Advisor serves as the investment advisor to the Fund. For its services, the Fund pays the Advisor an investment advisory fee, which is computed and accrued daily and paid monthly, at the annual rate of 0.90% of the Fund’s average daily net assets.

The Advisor has entered into an Expense Limitation Agreement (“ELA”) with the Fund under which it has agreed to waive its investment advisory fees and to assume other expenses of the Fund, if necessary, in order to limit the Fund’s total operating expenses (exclusive of interest, taxes, brokerage commissions, extraordinary expenses, brokerage costs and transaction-related expenses, acquired fund fees and expenses, dividend expense on securities sold short and payments, if any, under a Rule 12b-1 Plan) to not more than 1.35% of the Fund’s average daily net assets. This ELA is currently in effect until August 1, 2018 and may continue from year-to-year thereafter, provided such continuation is approved by the Trustees. Accordingly, during the six months ended September 30, 2017, the Advisor waived investment advisory fees of \$46,741. This amount is not subject to recapture in future periods.



# The Piedmont Select Equity Fund

## Notes to Financial Statements (Continued)

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### **COMPENSATION OF TRUSTEES**

Trustees and officers affiliated with the Advisor or Ultimus are not compensated by the Fund for their services. Each Trustee who is not an affiliated person of the Advisor or Ultimus (an "Independent Trustee") receives from the Fund an annual retainer of \$3,000, paid quarterly, a fee of \$250 for attendance at each in-person meeting of the Trustees and a fee of \$150 for attendance at each telephonic meeting of the Trustees. The Fund reimburses each Trustee and officer for his or her travel and other expenses relating to attendance at Board or committee meetings.

### **OTHER SERVICE PROVIDERS**

Ultimus provides administration, fund accounting, and transfer agency services to the Fund. The Fund pays Ultimus fees in accordance with the agreements for such services.

Pursuant to the terms of a Distribution Agreement with the Trust, the Distributor serves as the Fund's principal underwriter. The Distributor receives fees from the Fund for such services. The Distributor is an affiliate of Ultimus.

## **6. Contingencies and Commitments**

The Fund indemnifies the Trust's officers and Trustees for certain liabilities that might arise from their performance of their duties to the Fund. Additionally, in the normal course of business the Fund enters into contracts that contain a variety of representations and warranties and which provide general indemnifications. 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. However, based on experience, the Fund expects the risk of loss to be remote.

## **7. Subsequent Events**

The Fund is required to recognize in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed as of the date of the Statement of Assets and Liabilities. For non-recognized subsequent events that must be disclosed to keep the financial statements from being misleading, the Fund is required to disclose the nature of the event as well as an estimate of its financial effect, or a statement that such an estimate cannot be made. Management has evaluated subsequent events through the issuance of these financial statements and has noted no such events.

## The Piedmont Select Equity Fund

### About Your Fund's Expenses (Unaudited)

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We believe it is important for you to understand the impact of costs on your investment. All mutual funds have operating expenses. As a shareholder of the Fund, you incur ongoing costs, including management fees and other fund expenses. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in the Fund and to compare these ongoing costs with the ongoing costs of investing in other mutual funds.

A mutual fund's ongoing costs are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The expenses in the table below are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period (April 1, 2017 through September 30, 2017).

The table below illustrates the Fund's ongoing costs in two ways:

**Actual fund return** – This section helps you to estimate the actual expenses that you paid over the period. The “Ending Account Value” shown is derived from the Fund's actual return, and the third column shows the dollar amount of operating expenses that would have been paid by an investor who started with \$1,000 in the Fund. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for the Fund under the heading “Expenses Paid During Period.”

**Hypothetical 5% return** – This section is intended to help you compare the Fund's ongoing costs with those of other mutual funds. It assumes that the Fund had an annual return of 5% before expenses during the period shown, but that the expense ratio is unchanged. In this case, because the return used is not the Fund's actual return, the results do not apply to your investment. The example is useful in making comparisons because the SEC requires all mutual funds to calculate expenses based on a 5% return. You can assess the Fund's ongoing costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that expenses shown in the table are meant to highlight and help you compare ongoing costs only. The Fund does not impose any sales loads or redemption fees. The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

## The Piedmont Select Equity Fund

### About Your Fund's Expenses (Unaudited) (Continued)

More information about the Fund's expenses, including historical annual expense ratios, can be found in this report. For additional information on operating expenses and other shareholder costs, please refer to the Fund's prospectus.

	Beginning Account Value April 1, 2017	Ending Account Value September 30, 2017	Expenses Paid During Period*
Based on Actual Fund Return .....	\$1,000.00	\$1,051.10	\$6.94
Based on Hypothetical 5% Return (before expenses) .....	\$1,000.00	\$1,018.30	\$6.83

\* Expenses are equal to the Fund's annualized net expense ratio of 1.35% for the period, multiplied by the average account value over the period, multiplied by 183/365 (to reflect the one-half year period).

### Other Information (Unaudited)

A description of the policies and procedures that the Fund uses to vote proxies relating to portfolio securities is available without charge upon request by calling toll-free 1-888-859-5865, or on the SEC's website at <http://www.sec.gov>. Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is also available without charge upon request by calling toll-free 1-888-859-5865, or on the SEC's website at <http://www.sec.gov>.

The Fund files a complete listing of its portfolio holdings with the SEC as of the end of the first and third quarters of each fiscal year on Form N-Q. The filings are available upon request, by calling 1-888-859-5865. Furthermore, you may obtain a copy of these filings on the SEC's website at <http://www.sec.gov>. The Fund's Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

# The Piedmont Select Equity Fund

## Approval of Investment Advisory Agreement (Unaudited)

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The Board of Trustees (the "Board"), including the Independent Trustees voting separately, has reviewed and approved the continuance of the Fund's Investment Advisory Agreement with the Adviser for an additional one year term. Approval took place at an in-person meeting held on May 18, 2017, at which all of the Trustees were present.

In the course of their deliberations, the Board was advised by legal counsel. The Board received and reviewed a substantial amount of information provided by the Adviser in response to requests of the Board and counsel.

In considering the Investment Advisory Agreement and reaching their conclusions with respect thereto, the Board reviewed and analyzed various factors that they determined were relevant, including the factors described below.

The nature, extent, and quality of the services provided by the Adviser. In this regard, the Board reviewed the services being provided by the Adviser to the Fund including, without limitation, its investment advisory services, its coordination of services provided to the Fund by the Fund's other service providers, its compliance procedures and practices, and its efforts to promote the Fund, grow the Fund's assets and assist in the distribution of its shares. The Board noted that the Trust's President, Treasurer, Chief Compliance Officer, principal executive officer and principal financial officer are employees of the Adviser, and serve the Trust without additional compensation from the Fund. After considering the foregoing information and further information from the Adviser (e.g., descriptions of the Adviser's business and the Adviser's Form ADV), the Board concluded that the quality, extent, and nature of the services provided by the Adviser are satisfactory and adequate for the Fund.

The investment performance of the Fund and Adviser. In this regard, the Board compared the performance of the Fund with the performance of the S&P 500 Index, its primary benchmark, and comparable funds managed by other advisers. The Board noted that, while the Fund's performance trailed the S&P 500 Index and the average for funds within its peer group having less than \$50 million in assets (true no-load) for the fiscal year ended March 31, 2017, the Trustees noted that the Adviser had explained the reasons for the Fund's underperformance and determined that the Fund's historical performance was satisfactory. The Board also considered the consistency of the Adviser's management of the Fund with the Fund's investment objective and policies. Following discussion of the short-term and long-term investment performance of the Fund and its Morningstar ratings, the Adviser's experience in managing the Fund and separate accounts, the Adviser's historical investment performance and other factors, the Board concluded that the investment performance of the Fund and the Adviser has been satisfactory.

The costs of the services provided and profits realized by the Adviser from its relationship with the Fund. In this regard, the Board considered the Adviser's staffing, personnel and methods of operating; the Adviser's compliance policies and procedures; the financial condition of the Adviser and the level of commitment to the Fund and the Adviser by the principals of the Adviser; the asset levels of the Fund; and the overall expenses of the Fund. The Board considered the Fund's Expense Limitation Agreement with the Adviser, and the Adviser's current and past fee waivers and expense reimbursements under the Expense Limitation Agreement.

# The Piedmont Select Equity Fund

## Approval of Investment Advisory Agreement (Unaudited) (Continued)

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The Board further took into account the Adviser's commitment to continue the Fund's Expense Limitation Agreement until at least August 1, 2018. The Board reviewed the financial statements of the Adviser and considered its financial condition.

The Board also considered potential benefits to the Adviser in managing the Fund, including the Adviser's ability to place small accounts into the Fund and the automatic reinvestment of dividends and distributions in additional Fund shares. The Board compared the fees and expenses of the Fund (including the management fee) to a peer group of other funds comparable to the Fund in terms of the type of fund, the style of investment management, the size of the fund and the nature of the investment strategy and markets in which the Fund invests, among other factors. The Board noted that the Fund's management fee is higher than the average for funds within its peer group having less than \$50 million in assets. The Board also considered the Adviser's commitment to limit the Fund's expenses under the Fund's Expense Limitation Agreement. The Board noted that the Fund's net expense ratio (after contractual fee reductions) is higher than the average for funds within its peer group having less than \$50 million in assets. However, the Board also noted that the average 12b-1 fee charged by funds within the peer group having less than \$50 million in assets was 0.16%, whereas the Fund does not charge a 12b-1 fee. The Board also compared the fees paid by the Fund to the fees paid by the separate accounts of the Adviser with similar strategies, and considered the similarities and differences of services received by such other accounts as compared to the services provided to the Fund. The Board noted that the fee structures applicable to the Adviser's other clients were not indicative of any unreasonableness with respect to the management fees payable to the Fund. The Board considered the investment strategy and style used by the Adviser in managing the portfolio of the Fund. Following these comparisons, and upon further consideration and discussion of the foregoing, the Board concluded that the fees paid to the Adviser by the Fund are appropriate and within the range of what would have been negotiated at arm's length.

The extent to which economies of scale would be realized as the Fund grows and whether management fee levels reflect these economies of scale for the benefit of the Fund's investors. In this regard, the Board considered that the Fund's fee arrangements with the Adviser involve both a management fee and an Expense Limitation Agreement. The Board determined that, while the management fee remains the same at all asset levels, the Fund has experienced benefits from the Expense Limitation Agreement and would likely continue to do so until the Fund's assets grow to a level where the Adviser receives its full fees. Following further discussion of the Fund's projected asset levels, expectations for growth and levels of fees, the Board determined that the Fund's fee arrangements with the Adviser continue to provide benefits through the Expense Limitation Agreement and that, at the Fund's current and projected asset levels for the next year, the Fund's arrangements with the Adviser are fair and reasonable.

### Conclusion

After full consideration of the above factors as well as other factors, the Board unanimously concluded that approval of the Investment Advisory Agreement was in the best interests of the Fund and its shareholders.

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**The Piedmont Select Equity Fund  
is a series of  
The Piedmont Investment Trust**

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**For Shareholder Service Inquiries:**

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c/o Ultimus Fund Solutions, LLC  
225 Pictoria Drive, Suite 450  
Cincinnati, OH 45246

**For Investment Advisor Inquiries:**

Sheets Smith Wealth Management, Inc.  
120 Club Oaks Court, Suite 200  
Winston Salem, North Carolina 27104

**Toll-Free Telephone:**

1-888-859-5865

**World Wide Web @:**

[piedmontselectfund.com](http://piedmontselectfund.com)

An investment in the Fund is subject to investment risks, including the possible loss of some or the entire principal amount invested. There can be no assurance that the Fund will be successful in meeting its investment objective. Investment in the Fund is also subject to the following risks: market risk, management style risk, sector risk, nondiversified fund risk, issuer risk, mid-cap risk, interest rate risk and credit risk. More information about these risks and other risks can be found in the Fund's prospectus.

*The performance information quoted in this report represents past performance, which is not a guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted.*

**An investor should consider the investment objectives, risks, and charges and expenses of the Fund carefully before investing. The prospectus contains this and other information about the Fund. A copy of the prospectus is available at [www.piedmontselectfund.com](http://www.piedmontselectfund.com) or by calling Shareholder Services at 1-888-859-5865. The prospectus should be read carefully before investing.**

Stated performance in the Fund was achieved at some or all points during the year by waiving or reimbursing part of the Fund's total expenses to ensure shareholders did not absorb expenses significantly greater than the industry norm.

*This Semi-Annual Report was first distributed to shareholders on or about November 29, 2017.*

**For More Information on Your Piedmont Select Equity Mutual Fund:**

See Our Web site @ [www.piedmontselectfund.com](http://www.piedmontselectfund.com) or

Call Our Shareholder Services Group Toll-Free at 1-888-859-5865