



DECEMBER 31, 2021

Ariel Appreciation Fund



John W. Rogers, Jr.
Co-portfolio
manager



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Co-portfolio
manager

About the Fund

The Fund pursues long-term capital appreciation by investing in mid-cap stocks.

Fund facts

| | |
|-----------------------------------|---------------------------|
| Investment style | Mid cap traditional value |
| Assets | \$1.4 billion |
| Average market cap (\$ weighted)* | \$24.81 billion |
| Number of holdings | 42 |
| One-year turnover** | 24% |
| Discount to PMV† | -22.4% |

* Market capitalization is a dollar-weighted average. Source: FactSet.

**Turnover is for the trailing one-year period.

Fund details

| | Investor Class | Institutional Class |
|----------------------------|----------------|---------------------|
| Inception date | 12/01/89 | 12/30/11 |
| Ticker symbol | CAAPX | CAIIX |
| Cusip | 040337206 | 040337834 |
| Minimum initial investment | \$1,000 | \$1,000,000 |
| Expense ratio* | 1.12% | 0.81% |

* As of 9/30/21. As of 9/30/20, Ariel Appreciation Fund's Investor Class and Institutional Class had annual expense ratios of 1.15% and 0.84%, respectively.

Our patient investment philosophy

Ariel Investments is headquartered in Chicago, Illinois, with offices in New York, San Francisco, and Sydney. We serve individual and institutional investors through our no-load mutual funds and separate accounts. As of December 31, 2021, firm-wide assets under management are \$18.3 billion.* Since our founding in 1983, we have been disciplined, long-term investors. This defining characteristic is the cornerstone of our investment philosophy, and symbolized by our turtle logo and the firm's motto, "Slow and steady wins the race."

Patience

We take the long-term view.

Independence

We invest to our convictions, not to benchmarks.

Expertise

We specialize in bottom-up, fundamental research.

Teamwork

We work collaboratively with a shared commitment to excellence.

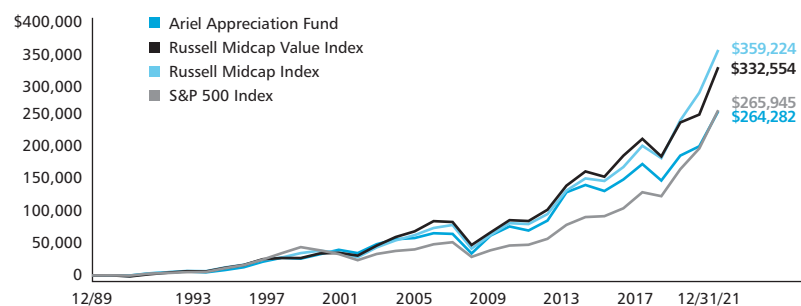
*Assets include \$873.7 million in assets from Ariel Alternatives, a subsidiary of Ariel Investments.

Ariel Appreciation Fund performance (%) as of 12/31/21

| | Annualized | | | | | | |
|--|------------|--------|--------|--------|---------|---------|---------------|
| | Quarter | 1-year | 3-year | 5-year | 10-year | 20-year | Since incept. |
| Ariel Appreciation Fund Investor Class | 7.06 | 25.86 | 18.96 | 10.76 | 12.76 | 8.71 | 10.75 |
| Ariel Appreciation Fund Institutional Class [§] | 7.14 | 26.24 | 19.33 | 11.10 | 13.11 | 8.88 | 10.85 |
| Russell Midcap [®] Value Index [^] | 8.54 | 28.34 | 19.62 | 11.22 | 13.44 | 10.52 | 11.54 |
| Russell Midcap [®] Index [^] | 6.44 | 22.58 | 23.28 | 15.10 | 14.90 | 10.88 | 11.81 |
| S&P 500 [®] Index [^] | 11.03 | 28.71 | 26.06 | 18.48 | 16.55 | 9.52 | 10.77 |

Performance data quoted represents past performance and does not guarantee future results. All performance assumes the reinvestment of dividends and capital gains. The 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. To access performance data current to the most recent month-end, visit arielinvestments.com. Any extraordinary performance shown for short-term periods may not be sustainable and is not representative of the performance over longer periods. Annual Average Total Return does not reflect a maximum 4.75% sales load charged prior to 7/15/94.

Growth of a \$10,000 investment since inception (Investor Class)



Note: The graph and performance table do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

Slow and steady wins the race.

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Ariel Appreciation Fund

Top ten equity holdings (% of net assets)

| | | | |
|--|-----|---|-----|
| 1. BOK Financial Corp. | 4.1 | 6. Progressive Corp. | 3.6 |
| 2. Madison Square Garden Entertainment | 3.9 | 7. Laboratory Corp. of America Holdings | 3.5 |
| 3. Northern Trust Corp. | 3.9 | 8. Lazard Ltd., Class A | 3.4 |
| 4. Mattel, Inc. | 3.9 | 9. Goldman Sachs Group, Inc. | 3.4 |
| 5. Aflac, Inc. | 3.8 | 10. Walgreens Boots Alliance, Inc. | 3.3 |

Sector weightings (%)

| | Ariel Appreciation Fund [†] | Russell Midcap Value Index | Russell Midcap Index | S&P 500 Index |
|------------------------|--------------------------------------|----------------------------|----------------------|---------------|
| Financials | 31.00 | 16.16 | 12.29 | 10.27 |
| Consumer Discretionary | 25.87 | 13.62 | 15.71 | 16.07 |
| Industrials | 16.49 | 18.06 | 18.14 | 12.39 |
| Health Care | 11.22 | 7.14 | 10.12 | 12.65 |
| Consumer Staples | 7.36 | 5.43 | 4.17 | 5.10 |
| Energy | 2.69 | 5.22 | 4.26 | 2.77 |
| Utilities | 2.59 | 7.82 | 5.06 | 2.73 |
| Real Estate | 2.17 | 11.83 | 8.66 | 2.77 |
| Technology | 0.00 | 8.50 | 16.41 | 30.60 |
| Basic Materials | 0.00 | 4.38 | 3.40 | 1.81 |
| Telecommunications | 0.00 | 1.82 | 1.76 | 2.84 |

* Sector weightings are calculated based on equity holdings as a percentage of total net assets.

Market cap exposure* (%)

| | Russell categories | Ariel Appreciation Fund | Russell Midcap Value Index | Difference |
|-----------------------------|--------------------------|-------------------------|----------------------------|------------|
| Large capitalization | >\$175.74 billion | 0.0 | 0.0 | 0.0 |
| Medium/large capitalization | \$46.58-\$175.74 billion | 9.9 | 4.2 | 5.7 |
| Medium capitalization | \$15.28-\$46.58 billion | 29.7 | 60.7 | - 31.0 |
| Medium/small capitalization | \$5.07-\$15.28 billion | 44.0 | 31.5 | 12.5 |
| Small capitalization | <\$5.07 billion | 16.5 | 3.7 | 12.8 |

* Market cap exposure (%). Source: FactSet.

[†] This represents the percentage discount at which the portfolio traded as compared to the portfolio holdings' private market value ("PMV") determined by Ariel Investments.

[§] The inception date for the Institutional Class shares is December 30, 2011. Performance information for the Institutional Class prior to that date reflects the actual performance of the Fund's Investor Class (and uses the actual expenses of the Fund's Investor Class, for such period of time), without any adjustments. For any such period of time, the performance of the Fund's Institutional Class would have been substantially similar to, yet higher than, the performance of the Fund's Investor Class, because the shares of both classes are invested in the same portfolio of securities, but the classes bear different expenses, which are primarily differences in distribution and service fees.

[^] The Russell Midcap[®] Value Index measures the performance of the mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap Index companies with lower price-to-book ratios and lower forecasted growth values. The Russell Midcap[®] Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell Midcap Index is a subset of the Russell 1000[®] Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. Russell[®] is a trademark of Frank Russell Company, which has not approved and does not accept any liability for data contained in this communication. The S&P 500[®] Index is the most widely accepted barometer of large cap U.S. equities. It includes 500 leading companies. Source: FactSet.

[†] **Forward price to earnings:** returns price divided by earnings; this calculation uses the median consensus EPS estimates for the current or next fiscal year to calculate a P/E ratio depending on the length of time until the end of the current fiscal year. Source: FactSet. **5-year estimated earnings growth:** projected earnings per share growth rate of the companies invested in by the Fund. Projected growth rates are consensus analyst forecasts for companies' long-term (typically five years) growth rates; actual earnings growth rate may differ from projected earnings growth rate. Only stocks with at least three estimates in the I/B/E/S database are included; medians are less useful with fewer estimates, and research coverage may be less current. Source: FactSet. **Interest coverage ratio (EBIT/interest):** This characteristic measures companies' ability to pay interest expense with current profits. Source: FactSet.

Investing in mid-cap stocks is more risky and volatile than investing in large-cap stocks. The intrinsic value of the stocks in which the Fund invests may never be recognized by the broader market. Ariel Appreciation Fund is often concentrated in fewer sectors than its benchmarks, and its performance may suffer if these sectors underperform the overall stock market. Investing in equity stocks is risky and subject to the volatility of the markets.

Investors should consider carefully the investment objectives, risks, and charges and expenses before investing. For a current summary prospectus or full prospectus, which contains this and other information about the funds offered by Ariel Investment Trust, call us at 800.292.7435 or visit arielinvestments.com. Please read the summary prospectus or full prospectus carefully before investing. Distributed by Ariel Distributors, LLC, a wholly-owned subsidiary of Ariel Investments, LLC. Ariel Distributors, LLC is a member of the Securities Investor Protection Corporation.

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Fund characteristics[†]

| | Ariel Appreciation Fund | Russell Midcap Value Index |
|----------------------------------|-------------------------|----------------------------|
| Forward price/earnings | 15.2 | 16.5 |
| 5 yr. estimated earnings growth* | 10.5 | 13.0 |
| Interest coverage ratio | 6.7 | 6.3 |

* This measure is not a forecast of the Fund's performance.

Contributors^{*}

| | % of portfolio | % return |
|--------------------------------|----------------|----------|
| BOK Financial Corp. | 4.1 | + 18.38 |
| KKR & Co., Inc. | 2.3 | + 22.60 |
| First American Financial Corp. | 3.1 | + 17.44 |
| Mattel, Inc. | 3.9 | + 16.16 |
| Progressive Corp. | 3.6 | + 15.38 |

Detractors^{*}

| | % of portfolio | % return |
|-------------------------------------|----------------|----------|
| Manchester United plc | 1.6 | - 26.05 |
| Stericycle, Inc. | 2.6 | - 12.26 |
| Madison Square Garden Entertainment | 3.9 | - 3.21 |
| Lazard Ltd., Class A | 3.4 | - 3.80 |
| Zimmer Biomet Holdings, Inc. | 1.8 | - 13.04 |

* The return represents the total return during the quarter of each stock for the period held in the portfolio. The holdings shown do not represent all of the securities purchased, sold, or recommended for investors. The contributors and detractors are ranked by the total effect on the portfolio of each equity holding. The total effect represents the opportunity cost of an investment manager's investment decisions relative to the overall benchmark. Source: FactSet.

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