Liberty Street Funds

Horizon Spin-off and Corporate Restructuring Fund

(Class A: LSHAX)
(Class C: LSHCX)
(Institutional Class: LSHUX)

ANNUAL REPORT
APRIL 30, 2017

Horizon Spin-off and Corporate Restructuring Fund

A series of Investment Managers Series Trust

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HORIZON
Asset Management

June 19, 2017

Dear Shareholders:

The portfolio of the Horizon Spin-Off and Corporate Restructuring Fund (the "Fund") has typically exhibited a low correlation of returns with the broader markets. This is not surprising, given few holdings in common between the Fund and the major indexes. In the trailing twelve-month period, the Fund's Institutional Share class slightly underperformed its benchmark index, returning 17.57% versus 17.92% for the S&P 500 Index. While underperformance compared to the benchmark may occur over certain periods, the Fund seeks to achieve competitive long-term returns.

The Fund's positive performance was attributable, in no small part, to the outsized returns of a handful of positions (in particular, Texas Pacific Land Trust, discussed below) that are non-overlapping with the benchmark. Certain Fund holdings detracted from performance during the relevant period. One example is DREAM Unlimited Corp., whose price declined despite the fact that the company is gradually developing its extensive land holdings in Canada and recently signed a deal with Canadian Pacific to develop that firm's extensive unutilized real estate. Also, the Fund's allocation to cash, which we believe affords us the flexibility to invest opportunistically, detracted from relative return during the period.

We continue to see great merit in seeking differentiated investment returns, particularly at present; the preconditions and facilitating factors for the stellar index gains of the past eight years cannot be replicated or even sustained going forward. Eight years ago, investors were looking at the triumvirate of low valuations, "normal" interest rates (with room for accommodation lower), and cyclically depressed earnings. Today, we are at the opposite end of the spectrum for each of these factors; it is hard to see how the appreciation of the past 8 years could possibly be repeated from current levels. Therefore, we choose to maintain our idiosyncratic exposures, isolating the portfolio from macroeconomic or market beta influences to the extent that we can.

The market-wide growth in earnings, coupled with valuation multiple expansion, has resulted in accommodative capital markets for companies to spin off and/or reorganize underperforming businesses. This type of transaction has been facilitated not by the willingness of equity markets to fund such activities, but rather by the debt markets. As of March 31, 2017, the spread between the Bloomberg Barclays High Yield Index and the Bloomberg Barclays U.S. Aggregate Index was 3.36%. With this spread, Investors were being offered the prospect of approximately a 6% return for their willingness to lend to non-investment grade borrowers, compared to approximately 2.7% for investment grade. The spread was over 5.1% in June of 2016, with high yield lenders potentially earning over 7.2%. This compression in yield offered to fixed income investors has created higher demand for more speculative lending. This is pertinent to the Fund mandate, as much of the spin-off and restructuring activity of late has been done on a highly leveraged basis. The ability of the new entities to thrive can be greatly constrained by onerous debt levels, increasing the risk profile of the equity investment considerably. This dynamic has made us weary of new activity in the market, but more importantly, price levels (valuations) have largely precluded our participation altogether.

The lack of attractive opportunities in the universe of recent spin-off and restructured securities stands in stark contrast to the seasoned securities that resulted from such transactions several years ago. These older vintage securities comprise the majority of the portfolio and have generally built value considerably since the transaction date. Market prices have generally not corresponded to this intrinsic growth at these companies, but over a full business cycle we are confident that the value disconnect will be reconciled. The other major component of the portfolio is businesses that have the potential to create shareholder value through a capital structure transaction. In most cases, these are companies where we believe that various disparate businesses are worth more if operated independently than they are combined, which is frequently the impetus for spin-offs and restructurings.

Examples of both types of company follow:

Howard Hughes Corporation: Howard Hughes Corporation is a spin-off security that was separated from General Growth Properties in November of 2010. The initial value of the shares was approximately $40, which has grown to approximately $120 as of March 31, 2017. Impressive as this nearly 3x increase in share price may be, revenue has grown at nearly 7x and net operating income has gone from a net loss to nearly $240 million at run-rate levels. The asset base has transformed from an assemblage of raw land and underutilized commercial real estate to a premier global portfolio of entitled residential land, as well as office towers and dynamic retail properties. Comparable property analysis suggests a continued meaningful discount in the current share price and disparate properties represent the potential for an additional spin-off transaction in the future.

Texas Pacific Land Trust[1] ("Texas Pacific" or "Trust"): Texas Pacific is a land trust that was created in 1888 in order to liquidate a land portfolio surrendered to bond holders of the Texas and Pacific Railway. The charter of the Trust stipulates a gradual liquidation of the surface acreage, with proceeds returned to shareholder via share repurchases and or dividends. In recent years the Trust's significant position in mineral royalties related to oil and gas production have proven to hold tremendous value with advances in exploration and drilling technology. Furthermore, the surface acreage is also concentrated in a prolific oil and gas producing region of west Texas, and now earns tens of millions of dollars per year in related access fees. This dynamic of land and royalty related revenue streams is vastly different from the mandate of the trust and considerable value may be unlocked through various corporate activities.

These companies both have exceptional, unique assets that are of considerable value. However, neither company is properly valued by the marketplace due to the transitional nature of the assets, and less efficient structures. We believe that this value will be realized, but equally importantly, we are positioned for exposure to the returns from the discounts on these assets/companies; not the broader market. We find this type of asset allocation to be highly desirable relative to conventional allocations and a complement to broader portfolios.

HORIZON ASSET MANAGEMENT LLC

[1] Texas Pacific Land Trust is a legacy position that predates the mandate change for the Fund.

Important Disclosures:

The views expressed in this report reflect those of the Fund's Sub-advisor as of the date this is written and may not reflect their views on the date this report is first published or anytime thereafter. These views are intended to assist shareholders in understanding the Fund's investment methodology and do not constitute investment advice. This report may contain discussions about investments that may or may not be held by the Fund as of the date of this report. All current and future holdings are subject to risk and to change. To the extent this report contains forward looking statements, unforeseen circumstances may cause actual results to differ materially from the views expressed as of the date this is written.

The S&P 500 Index is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. One cannot invest directly in an index.

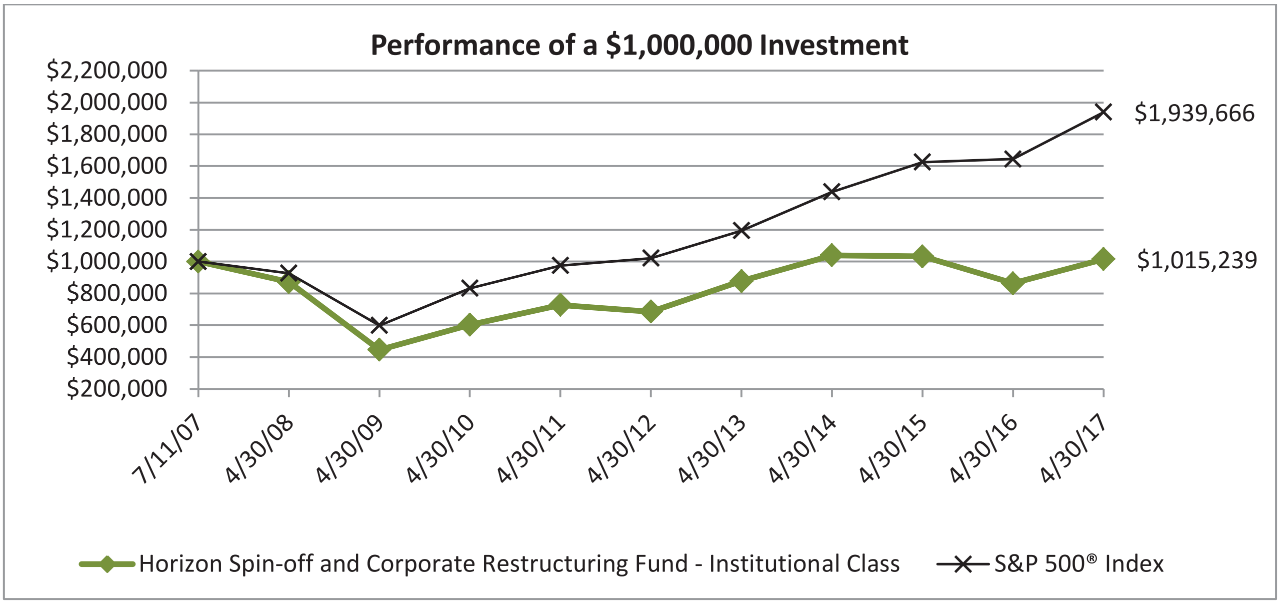
There is no guarantee the Fund will achieve the investment objective. The Fund is non-diversified and may focus its investments in the securities of a comparatively small number of issuers. Investment in securities of a limited number of issuers exposes the Fund to greater market risk and potential monetary losses than if its assets were diversified among the securities of a greater number of issuers. The Fund may invest in small- and medium- sized companies, which involves greater risks than investing in larger, more established companies such as increased volatility of earnings and prospects, higher failure rates, and limited markets, product lines or financial resources. The Fund may invest in foreign and emerging markets securities, which involve special risks, including the volatility of currency exchange rates and, in some cases limited geographic focus, political and economic instability, and relatively illiquid markets. The Fund may purchase IPOs and distressed securities. IPOs have special risks as there may be a limited number of shares available, unseasoned trading, lack of investor knowledge of the company and a limited operating history. Distressed securities involve considerable risk and can result in substantial or even total loss on the Fund's investment. These companies are more likely to become worthless than securities of more financially stable companies.

The Fund may invest in preferred stock. The market value of this stock is subject to company-specific and market risks applicable generally to equity securities and is also sensitive to changes in the company's creditworthiness, the ability of the company to make payments on the preferred stock, and changes in interest rates, typically declining in value if interest rates rise. The Fund may invest in convertible securities, which are subject to market and interest rate risk and credit risk and are typically issued by smaller capitalized companies with stock prices that may be more volatile than those of other companies. The Fund may invest in warrants, which may lack a liquid secondary market for resale. The prices of warrants may fluctuate as a result of speculation or other factors. Warrants can provide a greater potential for profit or loss than an equivalent investment in the underlying security.

On March 16, 2017, the Board of Trustees of Investment Managers Series Trust (the "Trust") approved an Agreement and Plan of Reorganization (the "Plan") providing for the reorganization of the Horizon Spin-off and Corporate Restructuring Fund (the "Acquired Fund"), a series of the Trust, into a newly organized series (the "Acquiring Fund") of Kinetics Mutual Funds, Inc., subject to completion of certain due diligence reviews. The reorganization of the Acquired Fund is subject to approval by its shareholders.

Shareholders of the Acquired Fund will receive a combined prospectus/proxy statement with additional information about the shareholder meeting and the proposed reorganization. Please read the proxy materials carefully, as they will contain a more detailed description of the proposed reorganization.

Horizon Spin-off and Corporate Restructuring Fund
FUND PERFORMANCE at April 30, 2017 (Unaudited)



This graph compares a hypothetical $1,000,000 investment in the Fund's Institutional Class shares, made at its inception, with a similar investment in the S&P 500® Index. The performance graph above is shown for the Fund's Institutional Class shares, Class A and Class C shares performance may vary. Results include the reinvestment of all dividends and capital gains.

The S&P 500® Index is a market weighted index composed of 500 large capitalization companies. This index does not reflect expenses, fees or sales charge, which would lower performance. The index is unmanaged and it is not possible to invest in an index.

Average Annual Total Returns as of April 30, 2017	**1 Year**	**5 Years**	**Since Inception**	**Inception Date**
Before deducting maximum sales charge				
Class A[1]	17.36%	7.89%	0.71%	05/04/07
Class C[2]	16.46%	7.18%	0.05%	05/24/07
Institutional Class[3]	17.57%	8.17%	0.15%	07/11/07
After deducting maximum sales charge				
Class A[1]	10.60%	6.86%	0.22%	05/04/07
Class C[2]	15.71%	7.18%	0.05%	05/24/07
S&P 500® Index	17.92%	13.68%	6.99%	07/11/07

The performance data quoted here represents past performance and past performance is not a guarantee of future results. Investment return and principal value 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 information quoted. The most recent month end performance may be obtained by calling (800) 207-7108.

Gross and net expense ratios for Class A shares were 1.83% and 1.59%, respectively, for Class C shares were 2.58% and 2.34%, respectively, and for Institutional Class shares were 1.58% and 1.34%, respectively, which were the amounts stated in the current prospectus dated September 1, 2016. For the Fund's current one year expense ratios, please refer to the Financial Highlights section of this report. The Fund's Advisor has contractually agreed to waive its fees and/or pay for operating expenses to ensure that total annual fund operating expenses do not exceed 1.50%, 2.25% and 1.25% of the average daily net assets of the A shares, C shares and Institutional shares, respectively. In the absence of such waivers, the Fund's returns would have been lower. This agreement is in effect until August 31, 2017, and it may be terminated before that date by the Trust's Board of Trustees. The Fund's advisor is permitted to seek reimbursement from the Fund for a period ending three full fiscal years after the date of the waiver or payment.

[1] Maximum sales charge for Class A shares is 5.75%. No initial sales charge applied to purchase of $1 million or more, but a contingent deferred sales charge ("CDSC") of 1.00% will be charged on certain redemptions of such shares within 12 months of purchase.

[2] A CDSC of 1.00% will be charged on purchases that are redeemed in whole or in part within 12 months of purchase.

[3] Institutional Class shares do not have any initial or contingent deferred sales charge.

Returns reflect the reinvestment of distributions made by the Fund, if any. The graph and the performance table above do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

Horizon Spin-off and Corporate Restructuring Fund
SCHEDULE OF INVESTMENTS
As of April 30, 2017

Number of Shares		Value
	COMMON STOCKS – 99.8%	
	BASIC MATERIALS – 3.1%	
	CHEMICALS-FIBERS – 0.4%	
5,800	Rayonier Advanced Materials, Inc.	$ **76,850**
	CHEMICALS-SPECIALTY – 2.7%	
15,600	CSW Industrials, Inc.*	552,240
800	WR Grace & Co.	55,776
		608,016
		684,866
	COMMUNICATIONS – 27.0%	
	BROADCASTING – 4.3%	
16,000	Liberty SiriusXM Group - Class A*	609,600
9,200	Liberty SiriusXM Group - Class C*	349,508
		959,108
	CABLE DISTRIBUTOR – 7.4%	
1,800	Cable One, Inc.	1,227,348
4,800	Liberty Broadband Corp. - Class A*	431,664
		1,659,012
	E-MARKETING/INFORMATION – 2.6%	
43,200	New Media Investment Group, Inc.	**568,512**
	MEDIA – 8.1%	
38,000	EW Scripps Co. - Class A*	846,640
27,800	TEGNA, Inc.	708,344
6,700	Tribune Media Co. - Class A	244,952
		1,799,936
	MULTIMEDIA – 0.9%	
1,590	Liberty Braves Group - Class C*	38,987
4,850	Liberty Formula One - Class A*	164,463
		203,450
	PUBLISHING-NEWSPAPERS – 0.6%	
14,700	Gannett Co., Inc.	**122,892**
	SATELLITE TELECOM – 3.1%	
12,000	EchoStar Corp. - Class A*	**690,720**
		6,003,630
	CONSUMER, CYCLICAL – 1.3%	
	MOTION PICTURES & SERVICES – 1.0%	
9,633	Lions Gate Entertainment Corp. - Class B*[1]	**229,747**
	RESTAURANTS – 0.0%	
17	Restaurant Brands International LP	**963**

Number of Shares		Value
	COMMON STOCKS (Continued)	
	CONSUMER, CYCLICAL (Continued)	
	RETAIL-SPORTING GOODS – 0.3%	
3,200	Vista Outdoor, Inc.*	$ **62,592**
		293,302
	CONSUMER, NON-CYCLICAL – 14.8%	
	BEVERAGES AND TOBACCO PRODUCT MANUFACTURING – 0.5%	
10,600	Crimson Wine Group Ltd.*	**109,180**
	COMMERCIAL SERVICES-FINANCE – 2.8%	
12,900	PayPal Holdings, Inc.*	**615,588**
	EDUCATIONAL SERVICES – 4.8%	
1,800	Graham Holdings Co. - Class B	**1,083,060**
	ELECTRICAL EQUIPMENT, APPLIANCE AND COMPONENT MANUFACTURING – 1.4%	
3,800	Danaher Corp.	**316,654**
	MEDICAL PRODUCTS – 3.5%	
19,600	Halyard Health, Inc.*	**774,200**
	MEDICAL-DRUGS – 0.2%	
797	Prestige Brands Holdings, Inc.*	**45,756**
	RENTAL AUTO/EQUIPMENT – 1.6%	
3,760	Herc Holdings, Inc.*	170,967
11,280	Hertz Global Holdings, Inc.*	186,007
		356,974
		3,301,412
	ENERGY – 15.1%	
	OIL & GAS – 15.0%	
10,886	Texas Pacific Land Trust	**3,343,200**
	OIL & GAS EXTRACTION – 0.1%	
348,600	Atlas Energy Group LLC*	**27,888**
		3,371,088
	FINANCIAL – 28.8%	
	ASSET MANAGEMENT – 5.5%	
34,200	Associated Capital Group, Inc. - Class A	1,150,830
1,100	Onex Corp.[1]	79,440
		1,230,270
	HOLDING COMPANY – 7.1%	
70,200	Dundee Corp. - Class A*[1]	164,219
27,000	Icahn Enterprises LP	1,426,950
		1,591,169
	INVESTMENT COMPANIES – 1.3%	
17,500	Capital Southwest Corp.	**283,850**
	LESSORS OF NON-RESIDENTIAL BUILDINGS (EXCEPT MINIWAREHOUSES) – 9.8%	
17,800	Howard Hughes Corp.*	**2,191,358**

Horizon Spin-off and Corporate Restructuring Fund
SCHEDULE OF INVESTMENTS - Continued
As of April 30, 2017

Number of Shares		Value
	COMMON STOCKS (Continued)	
	FINANCIAL (Continued)	
	REAL ESTATE – 5.1%	
233,600	Dream Unlimited Corp. - Class A*[1]	$ **1,127,447**
		6,424,094
	INDUSTRIAL – 9.7%	
	BUILDING & CONSTRUCT PRODUCTS-MISCELLANEOUS – 0.1%	
800	GCP Applied Technologies, Inc.*	**26,320**
	BUILDING & CONSTRUCT-MISCELLANEOUS – 0.3%	
1,333	TopBuild Corp.*	**68,236**
	BUILDING PRODUCTS-WOOD – 0.9%	
5,700	Masco Corp.	**211,014**
	CONTAINERS-PAPER/PLASTIC – 0.2%	
800	WestRock Co.	**42,848**
	ELECTRONIC MEASURING INSTRUMENTS – 0.5%	
1,900	Fortive Corp.	**120,194**
	MACHINERY MANUFACTURING – 0.9%	
32,100	Manitowoc Co., Inc.*	**191,637**
	MACHINERY-GENERAL INDUSTRY – 3.1%	
33,300	Welbilt, Inc.*	**682,650**
	MISCELLANEOUS MANUFACTURING – 0.6%	
5,500	TriMas Corp.*	**126,225**
	TRANSPORT-MARINE – 3.1%	
79,800	AP Moller - Maersk A/S - ADR[1]	**686,280**
		2,155,404
	TOTAL COMMON STOCKS (Cost $20,719,052)	**22,233,796**
	TOTAL INVESTMENTS – 99.8% (Cost $20,719,052)	**22,233,796**
	Other Assets in Excess of Liabilities – 0.2%	48,934
	TOTAL NET ASSETS – 100.0%	**$ 22,282,730**

ADR – American Depository Receipt
LP – Limited Partnership

* Non-income producing security.
[1] Foreign security denominated in U.S. Dollars.

See accompanying Notes to Financial Statements.

Horizon Spin-off and Corporate Restructuring Fund
SUMMARY OF INVESTMENTS
As of April 30, 2017

Security Type/Industry	Percent of Total Net Assets
Common Stocks	
Oil & Gas	15.0%
Lessors of Non-Residential Buildings (Except Miniwarehouses)	9.8%
Media	8.1%
Cable Distributor	7.4%
Holding Company	7.1%
Asset Management	5.5%
Real Estate	5.1%
Educational Services	4.8%
Broadcasting	4.3%
Medical Products	3.5%
Satellite Telecom	3.1%
Transport-Marine	3.1%
Machinery-General Industry	3.1%
Commercial Services-Finance	2.8%
Chemicals-Specialty	2.7%
E-Marketing/Information	2.6%
Rental Auto/Equipment	1.6%
Electrical Equipment, Appliance and Component Manufacturing	1.4%
Investment Companies	1.3%
Motion Pictures & Services	1.0%
Building Products-Wood	0.9%
Multimedia	0.9%
Machinery Manufacturing	0.9%
Miscellaneous Manufacturing	0.6%
Publishing-Newspapers	0.6%
Electronic Measuring Instruments	0.5%
Beverages and Tobacco Product Manufacturing	0.5%
Chemicals-Fibers	0.4%
Building & Construct-Miscellaneous	0.3%
Retail-Sporting Goods	0.3%
Medical-Drugs	0.2%
Containers-Paper/Plastic	0.2%
Oil & Gas Extraction	0.1%
Building & Construct Products-Miscellaneous	0.1%
Restaurants	0.0%
Total Common Stocks	**99.8%**
Total Investments	**99.8%**
Other Assets in Excess of Liabilities	0.2%
Total Net Assets	**100.0%**

See accompanying Notes to Financial Statements.

Horizon Spin-off and Corporate Restructuring Fund

STATEMENT OF ASSETS AND LIABILITIES

As of April 30, 2017

Assets:		
Investments, at value (cost $20,719,052)	$	22,233,796
Receivables:		
Investment securities sold		164,930
Fund shares sold		999
Dividends and interest		3,691
Due from Advisor		1,511
Prepaid expenses		14,746
Total assets		22,419,673
Liabilities:		
Due to custodian		68,613
Payables:		
Fund shares redeemed		1,085
Shareholder servicing fees (Note 8)		8,785
Distribution fees - Class A & Class C (Note 7)		5,631
Auditing fees		19,049
Transfer agent fees and expenses		8,647
Custody fees		3,927
Chief Compliance Officer fees		3,038
Fund accounting fees		2,816
Fund administration fees		2,496
Trustees' fees and expenses		2,470
Accrued other expenses		10,386
Total liabilities		136,943
Net Assets	$	22,282,730
Components of Net Assets:		
Paid-in capital (par value of $0.01 per share with an unlimited number of shares authorized)	$	19,694,312
Accumulated undistributed net investment loss		(533,370)
Accumulated undistributed net realized gain on investments and foreign currency transactions		1,607,044
Net unrealized appreciation on investments		1,514,744
Net Assets	$	22,282,730
Maximum Offering Price per Share:		
Class A Shares:		
Net assets applicable to shares outstanding	$	4,582,877
Shares of beneficial interest issued and outstanding		466,673
Redemption price[1]		9.82
Maximum sales charge (5.75% of offering price)[2]		0.60
Maximum offering price to public	$	10.42
Class C Shares:		
Net assets applicable to shares outstanding	$	5,677,654
Shares of beneficial interest issued and outstanding		602,021
Redemption price[3]	$	9.43
Institutional Shares:		
Net assets applicable to shares outstanding	$	12,022,199
Shares of beneficial interest issued and outstanding		1,220,523
Redemption price	$	9.85

[1] A Contingent Deferred Sales Charge ("CDSC") of 1.00% may be charged on certain purchases of $1 million or more that are redeemed in whole or in part within 12 months of purchase.

[2] On sales of $50,000 or more, the sales charge may be reduced and no initial sales charge is applied to purchases of $1 million or more.

[3] A CDSC of 1.00% may be charged on purchases that are redeemed in whole or in part within 12 months of purchase.

See accompanying Notes to Financial Statements.

Horizon Spin-off and Corporate Restructuring Fund
STATEMENT OF OPERATIONS
For the Year Ended April 30, 2017

Investment Income:		
Dividends (net of foreign withholding taxes of $3,126)	$	460,564
Interest		74
Total investment income		460,638
Expenses:		
Advisory fees		254,491
Registration fees		89,921
Distribution fees - Class C (Note 7)		60,135
Distribution fees - Class A (Note 7)		13,980
Custody fees		36,194
Shareholder servicing fees (Note 8)		32,262
Transfer agent fees and expenses		25,308
Legal fees		21,655
Auditing fees		20,048
Fund administration fees		18,428
Shareholder reporting fees		17,418
Fund accounting fees		15,932
Chief Compliance Officer fees		11,612
Trustees' fees and expenses		9,752
Miscellaneous		6,498
Insurance fees		1,314
Total expenses		634,948
Advisory fees waived		(242,724)
Net expenses		392,224
Net investment income		68,414
Realized and Unrealized Gain (Loss) on Investments and Foreign Currency:		
Net realized gain (loss) on:		
Investments		2,119,398
Foreign currency transactions		(6)
Net realized gain		2,119,392
Net change in unrealized appreciation/depreciation on:		
Investments		1,761,869
Net change in unrealized appreciation/depreciation		1,761,869
Net realized and unrealized gain on investments and foreign currency		3,881,261
Net Increase in Net Assets from Operations	$	3,949,675

See accompanying Notes to Financial Statements.

Horizon Spin-off and Corporate Restructuring Fund
STATEMENTS OF CHANGES IN NET ASSETS

	For the Year Ended April 30, 2017	For the Year Ended April 30, 2016
Increase (Decrease) in Net Assets from:		
Operations:		
Net investment income	$ 68,414	$ 53,240
Net realized gain on investments and foreign currency transactions	2,119,392	3,492,080
Net change in unrealized appreciation/depreciation on investments	1,761,869	(16,150,724)
Net increase (decrease) in net assets resulting from operations	3,949,675	(12,605,404)
Distributions to Shareholders:		
From net realized gain:		
Class A	(98,796)	-
Class C	(112,198)	-
Institutional Class	(234,363)	-
Total distributions to shareholders	(445,357)	-
Capital Transactions:		
Net proceeds from shares sold:		
Class A	519,984	888,373
Class C	167,241	462,804
Institutional Class	1,052,025	5,434,426
Reinvestment of distributions:		
Class A	97,422	-
Class C	112,097	-
Institutional Class	231,186	-
Cost of shares redeemed:		
Class A	(2,893,486)	(7,316,446)
Class C	(1,715,649)	(4,037,254)
Institutional Class	(15,334,344)	(25,257,979)
Net decrease in net assets from capital transactions	(17,763,524)	(29,826,076)
Total decrease in net assets	(14,259,206)	(42,431,480)
Net Assets:		
Beginning of period	36,541,936	78,973,416
End of period	$ 22,282,730	$ 36,541,936
Accumulated undistributed net investment income (loss)	$ (533,370)	$ 1,662,091
Capital Share Transactions:		
Shares sold:		
Class A	56,647	95,275
Class C	18,841	47,476
Institutional Class	113,358	577,764
Shares reinvested:		
Class A	10,064	-
Class C	12,028	-
Institutional Class	23,833	-
Shares redeemed:		
Class A	(311,752)	(811,923)
Class C	(190,922)	(494,173)
Institutional Class	(1,752,462)	(2,869,048)
Net decrease in capital share transactions	(2,020,365)	(3,454,629)

See accompanying Notes to Financial Statements.

Horizon Spin-off and Corporate Restructuring Fund
FINANCIAL HIGHLIGHTS
Class A

Per share operating performance.
For a capital share outstanding throughout each period.

	For the Year Ended April 30,				
	2017	**2016**	**2015**	**2014**	**2013**
Net asset value, beginning of period	$ 8.52	$ 10.22	$ 10.32	$ 8.74	$ 6.91
Income from Investment Operations:					
Net investment income (loss)[1]	0.03	- [2]	(0.03)	(0.03)	0.03
Net realized and unrealized gain (loss) on investments	1.45	(1.70)	(0.07)	1.60	1.87
Net increase from payment by affiliates (Note 3)	-	-	-	0.01	-
Total from investment operations	1.48	(1.70)	(0.10)	1.58	1.90
Less Distributions:					
From net investment income	-	-	-	-	(0.07)
From net realized gain	(0.18)	-	-	-	-
Total distributions	(0.18)	-	-	-	(0.07)
Redemption fee proceeds[1]	-	-	-	-	- [2]
Net asset value, end of period	$ 9.82	$ 8.52	$ 10.22	$ 10.32	$ 8.74
Total return[3]	17.36%	(16.63)%	(0.97)%	18.08% [4]	27.77%
Ratios and Supplemental Data:					
Net assets, end of period (in thousands)	$ 4,583	$ 6,067	$ 14,604	$ 12,536	$ 9,719
Ratio of expenses to average net assets:					
Before fees waived and expenses absorbed	2.45%	1.74%	1.77%	1.94%	2.11%
After fees waived and expenses absorbed	1.50%	1.50%	1.50%	1.50%	1.50%
Ratio of net investment income (loss) to average net assets:					
Before fees waived and expenses absorbed	(0.64)%	(0.19)%	(0.57)%	(0.76)%	(0.20)%
After fees waived and expenses absorbed	0.31%	0.05%	(0.30)%	(0.32)%	0.41%
Portfolio turnover rate	11%	2%	40%	18%	4%

[1] Based on average shares outstanding for the period.
[2] Amount represents less than $0.01 per share.
[3] Total returns would have been lower had expenses not been waived or absorbed by the Advisor. Returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns shown do not include payment of sales load of 5.75% of offering price which is reduced on sales of $50,000 or more and no initial sales charge is applied to purchases of $1 million or more. Returns shown do not include payment of a Contingent Deferred Sales Charge ("CDSC") of 1.00% on certain purchases of $1 million or more that are redeemed in whole or in part within 12 months of purchase. If these sales charges were included total returns would be lower.
[4] Total return would have been 17.96% had the Advisor not reimbursed the Fund for the loss on a portfolio investment.

See accompanying Notes to Financial Statements.

Horizon Spin-off and Corporate Restructuring Fund
FINANCIAL HIGHLIGHTS
Class C

Per share operating performance.
For a capital share outstanding throughout each period.

	For the Year Ended April 30,				
	2017	**2016**	**2015**	**2014**	**2013**
Net asset value, beginning of period	$ 8.25	$ 9.97	$ 10.14	$ 8.64	$ 6.83
Income from Investment Operations:					
Net investment loss[1]	(0.04)	(0.06)	(0.11)	(0.09)	(0.01)
Net realized and unrealized gain (loss) on investments	1.40	(1.66)	(0.06)	1.58	1.86
Net increase from payment by affiliates (Note 3)	-	-	-	0.01	-
Total from investment operations	1.36	(1.72)	(0.17)	1.50	1.85
Less Distributions:					
From net investment income	-	-	-	-	(0.04)
From net realized gain	(0.18)	-	-	-	-
Total distributions	(0.18)	-	-	-	(0.04)
Net asset value, end of period	$ 9.43	$ 8.25	$ 9.97	$ 10.14	$ 8.64
Total return[2]	16.46%	(17.25)%	(1.68)%	17.36% [3]	27.16%
Ratios and Supplemental Data:					
Net assets, end of period (in thousands)	$ 5,678	$ 6,290	$ 12,057	$ 10,701	$ 9,108
Ratio of expenses to average net assets:					
Before fees waived and expenses absorbed	3.20%	2.49%	2.52%	2.53%	2.61%
After fees waived and expenses absorbed	2.25%	2.25%	2.25%	2.09%	2.00%
Ratio of net investment loss to average net assets:					
Before fees waived and expenses absorbed	(1.39)%	(0.94)%	(1.32)%	(1.35)%	(0.70)%
After fees waived and expenses absorbed	(0.44)%	(0.70)%	(1.05)%	(0.91)%	(0.09)%
Portfolio turnover rate	11%	2%	40%	18%	4%

[1] Based on average shares outstanding for the period.

[2] Total returns would have been lower had expenses not been waived or absorbed by the Advisor. Returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns shown do not include payment of a Contingent Deferred Sales Charge ("CDSC") of 1.00% on purchases that are redeemed in whole or in part within 12 months of purchase. If the sales charge was included total returns would be lower. Prior to January 1, 2014 the CDSC was 0.75%.

[3] Total return would have been 17.25% had the Advisor not reimbursed the Fund for the loss on a portfolio investment.

See accompanying Notes to Financial Statements.

Horizon Spin-off and Corporate Restructuring Fund
FINANCIAL HIGHLIGHTS
Institutional Class

Per share operating performance.
For a capital share outstanding throughout each period.

	For the Year Ended April 30,				
	2017	**2016**	**2015**	**2014**	**2013**
Net asset value, beginning of period	$ 8.53	$ 10.20	$ 10.27	$ 8.67	$ 6.86
Income from Investment Operations:					
Net investment income (loss)[1]	0.05	0.03	(0.01)	(0.01)	0.05
Net realized and unrealized gain (loss) on investments	1.45	(1.70)	(0.06)	1.60	1.85
Net increase from payment by affiliates (Note 3)	-	-	-	0.01	-
Total from investment operations	1.50	(1.67)	(0.07)	1.60	1.90
Less Distributions:					
From net investment income	-	-	-	-	(0.09)
From net realized gain	(0.18)	-	-	-	-
Total distributions	(0.18)	-	-	-	(0.09)
Redemption fee proceeds[1]	-	-	-	-	- [2]
Net asset value, end of period	$ 9.85	$ 8.53	$ 10.20	$ 10.27	$ 8.67
Total return[3]	17.57%	(16.37)%	(0.68)%	18.45% [4]	28.03%
Ratios and Supplemental Data:					
Net assets, end of period (in thousands)	$ 12,022	$ 24,185	$ 52,312	$ 52,635	$ 39,375
Ratio of expenses to average net assets:					
Before fees waived and expenses absorbed	2.20%	1.49%	1.52%	1.69%	1.86%
After fees waived and expenses absorbed	1.25%	1.25%	1.25%	1.25%	1.25%
Ratio of net investment income (loss) to average net assets:					
Before fees waived and expenses absorbed	(0.39)%	0.06%	(0.32)%	(0.51)%	0.05%
After fees waived and expenses absorbed	0.56%	0.30%	(0.05)%	(0.07)%	0.66%
Portfolio turnover rate	11%	2%	40%	18%	4%

1 Based on average shares outstanding for the period.
2 Amount represents less than $0.01 per share.
3 Total returns would have been lower had expenses not been waived or absorbed by the Advisor. Returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.
4 Total return would have been 18.34% had the Advisor not reimbursed the Fund for the loss on a portfolio investment.

See accompanying Notes to Financial Statements.

Note 1 – Organization
The Horizon Spin-off and Corporate Restructuring Fund (the ''Fund'') was organized as a non-diversified series of Investment Managers Series Trust, a Delaware statutory trust (the "Trust") which is registered as an open-end management investment company under the Investment Company Act of 1940, as amended (the "1940 Act"). Prior to February 11, 2014, the Fund was known as the Liberty Street Horizon Fund. The Fund seeks to achieve long-term growth of capital. The Fund currently offers three classes of shares: Class A, Class C, and Institutional Class. Class A commenced operations on May 4, 2007. Class C commenced operations on May 24, 2007. Institutional Class commenced operations on July 11, 2007.

The shares of each class represent an interest in the same portfolio of investments of the Fund and have equal rights as to voting, redemptions, dividends and liquidation, subject to the approval of the Trustees. Income, expenses (other than expenses attributable to a specific class) and realized and unrealized gains and losses on investments are allocated to each class of shares in proportion to their relative shares outstanding. Shareholders of a class that bears distribution and service expenses under the terms of a distribution plan have exclusive voting rights to that distribution plan.

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification, "Financial Services – Investment Companies", Topic 946 (ASC 946).

Note 2 – Accounting Policies
The following is a summary of the significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from these estimates.

(a) Valuation of Investments
The Fund values equity securities at the last reported sale price on the principal exchange or in the principal over the counter ("OTC") market in which such securities are traded, as of the close of regular trading on the NYSE on the day the securities are being valued or, if the last-quoted sales price is not readily available, the securities will be valued at the last bid or the mean between the last available bid and ask price. Securities traded on the NASDAQ are valued at the NASDAQ Official Closing Price ("NOCP"). Debt securities are valued by utilizing a price supplied by independent pricing service providers. The independent pricing service providers may use various valuation methodologies including matrix pricing and other analytical pricing models as well as market transactions and dealer quotations. These models generally consider such factors as yields or prices of bonds of comparable quality, type of issue, coupon, maturity, ratings and general market conditions. If a price is not readily available for a portfolio security, the security will be valued at fair value (the amount which the Fund might reasonably expect to receive for the security upon its current sale) as determined in good faith by the Fund's advisor, subject to review and approval by the Valuation Committee, pursuant to procedures adopted by the Board of Trustees. The actions of the Valuation Committee are subsequently reviewed by the Board at its next regularly scheduled board meeting. The Valuation Committee meets as needed. The Valuation Committee is comprised of all the Trustees, but action may be taken by any one of the Trustees. The Fund values exchange-traded options at the last sales price, or, if no last sales price is available, at the last bid price.

Trading in securities on many foreign securities exchanges and OTC markets is normally completed before the close of business on each U.S. business day. In addition, securities trading in a particular country or countries may not take place on all U.S. business days or may take place on days which are not U.S. business days. Changes in valuations on certain securities may occur at times or on days on which the Fund's net asset values ("NAV") are not calculated and on which the Fund does not affect sales and redemptions of its shares.

(b) Investment Transactions, Investment Income and Expenses
Investment transactions are accounted for on the trade date. Realized gains and losses on investments are determined on the identified cost basis. Dividend income is recorded net of applicable withholding taxes on the ex-dividend date and interest income is recorded on an accrual basis. Withholding taxes on foreign dividends, if applicable, are paid (a portion of which may be reclaimable) or provided for in accordance with the applicable country's tax rules and rates and are disclosed in the Statement of Operations. Withholding tax reclaims are filed in certain countries to recover a portion of the amounts previously withheld. The Fund records a reclaim receivable based on a number of factors, including a jurisdiction's legal obligation to pay reclaims as well as payment history and market convention. Discounts or premiums on debt securities are accreted or amortized to interest income over the lives of the respective securities using the effective interest method. Income and expenses of the Fund are allocated on a pro rata basis to each class of shares, except for distribution and service fees which are unique to each class of shares. Expenses incurred by the Trust with respect to more than one fund are allocated in proportion to the net assets of each fund except where allocation of direct expenses to each Fund or an alternative allocation method can be more appropriately made.

(c) Foreign Currency Translation
The Fund's records are maintained in U.S. dollars. The value of securities, currencies and other assets and liabilities denominated in currencies other than U.S. dollars are translated into U.S. dollars based upon foreign exchange rates prevailing at the end of the reporting period. The currencies are translated into U.S. dollars by using the exchange rates quoted at the close of the London Stock Exchange prior to when the Fund's NAV is next determined. Purchases and sales of investment securities, income and expenses are translated on the respective dates of such transactions.

The Fund does not isolate that portion of its net realized and unrealized gains and losses on investments resulting from changes in foreign exchange rates from the impact arising from changes in market prices. Such fluctuations are included with net realized and unrealized gain or loss from investments and foreign currency.

Net realized foreign currency transaction gains and losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, and the differences between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign currency translation gains and losses arise from changes in the value of assets and liabilities, other than investments in securities, resulting from changes in the exchange rates.

(d) Federal Income Taxes
The Fund intends to comply with the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its net investment income and any net realized gains to its shareholders. Therefore, no provision is made for federal income or excise taxes. Due to the timing of dividend distributions and the differences in accounting for income and realized gains and losses for financial statement and federal income tax purposes, the fiscal year in which amounts are distributed may differ from the year in which the income and realized gains and losses are recorded by the Fund.

Accounting for Uncertainty in Income Taxes (the "Income Tax Statement") requires an evaluation of tax positions taken (or expected to be taken) in the course of preparing a Fund's tax returns to determine whether these positions meet a "more-likely-than-not" standard that, based on the technical merits, have a more than fifty percent likelihood of being sustained by a taxing authority upon examination. A tax position that meets the "more-likely-than-not" recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The

Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations.

The Income Tax Statement requires management of the Fund to analyze tax positions taken in the prior three open tax years, if any, and tax positions expected to be taken in the Fund's current tax year, as defined by the IRS statute of limitations for all major jurisdictions, including federal tax authorities and certain state tax authorities. As of and during the open years ended April 30, 2014-2017, the Fund did not have a liability for any unrecognized tax benefits. The Fund has no examination in progress and is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

(e) Distributions to Shareholders
The Fund will make distributions of net investment income and capital gains, if any, at least annually. Distributions to shareholders are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from GAAP.

The character of distributions made during the year from net investment income or net realized gains may differ from the characterization for federal income tax purposes due to differences in the recognition of income, expense and gain (loss) items for financial statement and tax purposes.

(f) Securities Lending
The Fund may engage in securities lending. The loans are secured by collateral. During the term of the loan, the Fund will continue to receive any interest, dividends or amounts on the loaned securities while receiving interest on the investment of the cash collateral. Securities lending income is disclosed as such in the Statements of Operations. The collateral for the securities on loan is recognized in the Statements of Assets and Liabilities. The cash collateral is maintained on the Fund's behalf and is invested in short-term securities. Loans are subject to termination at the option of the borrower of the security. Upon termination of the loan, the borrower will return to the lender securities identical to the loaned securities. The Fund may pay reasonable administrative and custodial fees in connection with a loan of its securities and may share the interest and/or fees earned on the collateral with the borrower. The Fund bears the risk of delay in recovery of, or even loss of rights in, the securities loaned should the borrower of the securities fail financially.

As of April 30, 2017, there were no securities loaned by the Fund and there was no collateral due to broker by the Fund.

Note 3 – Investment Advisory and Other Agreements
The Trust, on behalf of the Fund, entered into an Investment Advisory Agreement (the "Agreement") with Liberty Street Advisors, Inc. (the "Advisor"). Under the terms of the Agreement, the Fund pays a monthly investment advisory fee to the Advisor at the annual rate of 1.00% of the Fund's average daily net assets. The Advisor engages Horizon Asset Management LLC (the "Sub-Advisor") to manage the Fund and pays the Sub-Advisor from its advisory fees.

The Advisor has contractually agreed to waive its fee and/or pay for operating expenses to ensure that total annual operating expenses (excluding taxes, interest, portfolio transaction expenses, acquired fund fees and expenses as determined in accordance with Form N-1A, expenses incurred in connection with any merger or reorganization and extraordinary expenses such as litigation expenses) do not exceed 1.50%, 2.25% and 1.25% of the Fund's average daily net assets for Class A, Class C, and Institutional Class, respectively until August 31, 2017, and may be terminated before that date only by the Trust's Board of Trustees. Prior to January 1, 2014 the Advisor had contractually agreed to waive its fee and/or pay for operating expenses to ensure that total annual operating expenses (excluding taxes, interest, portfolio transaction expenses, acquired fund fees and expenses as determined in accordance with Form N-1A, expenses incurred in connection with any merger or reorganization and extraordinary expenses such as litigation expenses) do not exceed 1.50%, 2.00% and 1.25% of the Fund's average daily net assets for Class A, Class C, and Institutional Class, respectively.

For the year ended April 30, 2017, the Advisor waived its advisory fees totaling $242,724. The Advisor may recover from the Fund fees and/or expenses previously waived and/or absorbed if the Fund's expense ratio, including the recovered expenses, falls below the expense limit at which they were waived. The Advisor is permitted to seek reimbursement from the Fund for a period ending three full fiscal years after the date of the waiver or payment, provided that the reimbursement does not exceed the lesser of (a) the limitation on Fund expenses in effect at the time of the relevant reduction in advisory fees or payment of the Fund's expenses, or (b) the limitation on Fund expenses at the time of the request. At April 30, 2017, the amount of these potentially recoverable expenses was $587,626. The Advisor may recapture all or a portion of this amount no later than April 30, of the years stated below:

2018	$	204,685
2019		140,217
2020		242,724
Total	$	587,626

The "Net increase from payments by affiliates" in the Financial Highlights represents an amount reimbursed from the Advisor for the loss on a portfolio investment.

Foreside Fund Services, LLC ("Distributor") serves as the Fund's distributor; UMB Fund Services, Inc. ("UMBFS") serves as the Fund's fund accountant, transfer agent and co-administrator; and Mutual Fund Administration, LLC ("MFAC") serves as the Fund's other co-administrator. UMB Bank, n.a., an affiliate of UMBFS, serves as the Fund's custodian.

Certain trustees and officers of the Trust are employees of UMBFS or MFAC. The Fund does not compensate trustees and officers affiliated with the Fund's co-administrators. For the year ended April 30, 2017, the Fund's allocated fees incurred to Trustees who are not affiliated with the Fund's co-administrators are reported on the Statement of Operations.

Dziura Compliance Consulting, LLC provides Chief Compliance Officer ("CCO") services to the Trust. The Fund's allocated fees incurred for CCO services for the year ended April 30, 2017, are reported on the Statement of Operations.

Note 4 – Federal Income Taxes

At April 30, 2017, gross unrealized appreciation and depreciation of investments, based on cost for federal income tax purposes were as follows:

Cost of investments	$	20,031,348
Gross unrealized appreciation	$	7,419,608
Gross unrealized depreciation		(5,217,160)
Net unrealized appreciation on investments	$	2,202,448

The difference between cost amounts for financial statement and federal income tax purposes is due primarily to timing differences in recognizing certain gains and losses in security transactions.

GAAP requires that certain components of net assets be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. For the year ended April 30, 2017, permanent differences in book and tax accounting have been reclassified to paid-in capital, accumulated net investment income/loss and accumulated net realized gain/loss as follows:

Increase (Decrease)		
Paid-in Capital	Accumulated Net Investment Income/Loss	Accumulated Net Realized Gain/Loss
$ (112,237)	$ (2,263,875)	$ 2,376,112

As of April 30, 2017 the components of accumulated earnings (deficit) on a tax basis were as follows:

Undistributed ordinary income	$ 46,599
Undistributed long-term gains	919,340
Tax accumulated earnings	965,939
Accumulated capital and other losses	(579,969)
Unrealized appreciation on investments	2,202,448
Total accumulated earnings	$ 2,588,418

The tax character of distributions paid during the fiscal years ended April 30, 2017 and April 30, 2016 were as follows:

Distribution paid from:	2017	2016
Ordinary income	$ -	$ -
Long-term capital gains	445,357	-
Total distributions paid	$ 445,357	$ -

To the extent that a Fund may realize future net capital gains, those gains will be offset by any of its unused capital loss carryforward. Future capital loss carryover utilization in any given year may be subject to Internal Revenue Code limitations. During the year ended April 30, 2017, the Fund utilized $1,147,326 of its capital loss carryovers.

Note 5 – Redemption Fee

The Fund imposed a redemption fee of 1.00% of the total redemption amount on all shares redeemed within 90 days of purchase. As of August 31, 2012, the Fund no longer imposes the redemption fee.

Note 6 – Investment Transactions

For the year ended April 30, 2017, purchases and sales of investments, excluding short-term investments, were $2,655,827 and $18,550,224, respectively.

Note 7 – Distribution Plan

The Trust, on behalf of the Fund, has adopted a Distribution Plan (the “Plan”) pursuant to Rule 12b-1 under the 1940 Act that allows the Fund to pay distribution fees for the sale and distribution of its shares. With respect to the Class A and Class C, the Plan provides for the payment of distribution fees at the annual rate of up to 0.25% and 1.00%, respectively, of average daily net assets, payable to the Distributor. Prior to January 1, 2014 with respect to the Class A and Class C, the Plan provided for the payment of distribution fees at the annual rate of up to 0.25% and 0.75%, respectively, of average daily net assets, payable to the Distributor. The Institutional Class does not pay any distribution fees.

The Advisor's affiliated broker-dealer, HRC Fund Associates, LLC ("HRC"), Member FINRA/SIPC, markets the Fund shares to financial intermediaries pursuant to a marketing agreement with the Advisor. In addition, HRC may receive sales charges from the Fund's Distributor for activities relating to the marketing of Fund shares pursuant to a wholesaling agreement with the Fund's Distributor. During the year ending April 30, 2017, HRC received $59,182 in sales charges from the Distributor for services rendered pursuant to the wholesaling agreement from 2009 through 2015 with respect to the Fund.

For the year ended April 30, 2017, distribution fees incurred are disclosed on the Statement of Operations.

Note 8 – Shareholder Servicing Plan
The Trust, on behalf of the Fund, has adopted a Shareholder Servicing Plan to pay a fee at an annual rate of up to 0.15% of average daily net assets of shares serviced by shareholder servicing agents who provide administrative and support services to their customers. Prior to January 1, 2014, the Trust, on behalf of the Fund, had adopted a Shareholder Servicing Plan to pay a fee at an annual rate of up to 0.10% of average daily net assets of shares serviced by shareholder servicing agents who provide administrative and support services to their customers.

For the year ended April 30, 2017, shareholder servicing fees incurred are disclosed on the Statement of Operations.

Note 9 – Indemnifications
In the normal course of business, the Fund enters into contracts that contain a variety of representations 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, the Fund expects the risk of loss to be remote.

Note 10 – Fair Value Measurements and Disclosure
FASB Accounting Standard Codification, "Fair Value Measurement and Disclosures", Topic 820 (ASC 820) Fair Value Measurements and Disclosures defines fair value, establishes a framework for measuring fair value in accordance with GAAP, and expands disclosure about fair value measurements. It also provides guidance on determining when there has been a significant decrease in the volume and level of activity for an asset or a liability, when a transaction is not orderly, and how that information must be incorporated into a fair value measurement.

Under ASC 820, various inputs are used in determining the value of the Fund's investments. These inputs are summarized into three broad Levels as described below:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

- Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

- Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

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 in its entirety.

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of the inputs used, as of April 30, 2017, in valuing the Fund's assets carried at fair value:

	Level 1	Level 2**	Level 3**	Total
Investments				
Common Stocks*	$ 22,233,796	$ -	$ -	$ 22,233,796
Total Investments	$ 22,233,796	$ -	$ -	$ 22,233,796

* All common stocks held in the Fund are Level 1 securities. For a detailed break-out of common stocks by major industry classification, please refer to the Schedule of Investments.
** The Fund did not hold any Level 2 or 3 securities at period end.

Transfers between Levels 1, 2, or 3 are recognized at the end of the reporting period. There were no transfers between levels at period end.

Note 11 – Derivatives and Hedging Disclosures
FASB Accounting Standard Codification, "Derivative and Hedging", Topic 815 (ASC 815) requires enhanced disclosures about the Fund's derivative and hedging activities, including how such activities are accounted for and their effects on the Fund's financial position, performance and cash flows. The Fund invested in warrants during the year ended April 30, 2017.

The effects of derivative instruments on the Statement of Operations for the year ended April 30, 2017 are as follows:

Amount of Realized Loss on Derivatives Recognized in Income

Derivatives not designated as hedging instruments	Warrants	Total
Warrants	$ (120,436)	$ (120,436)
Total	$ (120,436)	$ (120,436)

Change in Unrealized Appreciation/Depreciation on Derivatives Recognized in Income

Derivatives not designated as hedging instruments	Warrants	Total
Warrants	$ 92,856	$ 92,856
Total	$ 92,856	$ 92,856

The quarterly average volumes of derivative instruments as of April 30, 2017 are as follows:

Derivatives not designated as hedging instruments			
Warrants	Average Market Value	$	28,780

Note 12 – Disclosure for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)
FASB Accounting Standard Update 2015-07, "Disclosure for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)" removes the requirement to categorize within the fair value hierarchy investments measured using the net asset value per share ("NAV") practical expedient, as well as removes certain disclosure requirements for investments that qualify, but do not utilize, the NAV practical expedient. Management has evaluated the impact on the financial statement disclosures and determined that there is no effect.

Note 13 – Recently Issued Accounting Pronouncements
In October 2016, the U.S. Securities and Exchange Commission adopted new rules and amended existing rules (together, "final rules") intended to modernize the reporting and disclosure of information by registered investment companies. In part, the final rules amend Regulation S-X and require standardized, enhanced disclosure about derivatives in investment company financial statements, as well as other amendments. The compliance date for the amendments to Regulation S-X is August 1, 2017. Management is currently evaluating the impact that the adoption of the amendments to Regulation S-X will have on the financial statements and related disclosures.

Note 14 – Events Subsequent to the Fiscal Period End
The Fund has adopted financial reporting rules regarding subsequent events which require an entity to recognize in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet. Management has evaluated the Fund's related events and transactions that occurred through the date of issuance of the Fund's financial statements.

On March 16, 2017, the Board of Trustees of Investment Managers Series Trust (the "Trust") approved an Agreement and Plan of Reorganization (the "Plan") providing for the reorganization of the Horizon Spin-off and Corporate Restructuring Fund (the "Acquired Fund"), a series of the Trust, into a newly organized series of Kinetics Mutual Funds, Inc., subject to completion of certain due diligence reviews. The Trust will call a shareholder meeting at which shareholders of the Acquired Fund will be asked to consider and vote on the Plan. If shareholders of the Acquired Fund approve the reorganization, the reorganization is expected to take effect in July 2017.

There were no events or transactions that occurred during this period that materially impacted the amounts or disclosures in the Fund's financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees of Investment Managers Series Trust and
Shareholders of Horizon Spin-off and Corporate Restructuring Fund

We have audited the accompanying statement of assets and liabilities of the Horizon Spin-off and Corporate Restructuring Fund (the "Fund"), a series of Investment Managers Series Trust, including the schedule of investments, as of April 30, 2017, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of April 30, 2017, by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the Horizon Spin-off and Corporate Restructuring Fund as of April 30, 2017, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

TAIT, WELLER & BAKER LLP

Philadelphia, Pennsylvania
June 29, 2017

Horizon Spin-off and Corporate Restructuring Fund
SUPPLEMENTAL INFORMATION (Unaudited)

Trustees and Officers Information

Additional information about the Trustees is included in the Fund's Statement of Additional Information which is available, without charge, upon request by calling (800) 207-7108. The Trustees and officers of the Fund and their principal occupations during the past five years are as follows:

Name, Address, Year of Birth and Position(s) held with Trust	Term of Office[c] and Length of Time Served	Principal Occupation During the Past Five Years and Other Affiliations	Number of Portfolios in the Fund Complex Overseen by Trustee[d]	Other Directorships Held by Trustee During the Past Five Years
"Independent" Trustees:				
Charles H. Miller[a] (born 1947) Trustee	Since November 2007	Retired (2013 – present). Executive Vice President, Client Management and Development, Access Data, a Broadridge company, a provider of technology and services to asset management firms (1997-2012).	6	None.
Ashley Toomey Rabun[a] (born 1952) Trustee and Chairperson of the Board	Since November 2007	Retired (2016 – present). President and Founder, InvestorReach, Inc., a financial services consulting firm (1996 – 2015).	6	Select Sector SPDR Trust, a registered investment company (includes 10 portfolios).
William H. Young[a] (born 1950) Trustee	Since November 2007	Retired (2014 - present). Independent financial services consultant (1996 – 2014). Interim CEO, Unified Fund Services Inc. (now Huntington Fund Services), a mutual fund service provider (2003 – 2006). Senior Vice President, Oppenheimer Management Company (1983 – 1996). Chairman, NICSA, an investment management trade association (1993 – 1996).	6	None.
John P. Zader[a] (born 1961) Trustee	Since November 2007	Retired (June 2014 - present). CEO, UMB Fund Services, Inc., a mutual fund and hedge fund service provider, and the transfer agent, fund accountant, and co-administrator for the Fund (December 2006 - June 2014). President, Investment Managers Series Trust (December 2007 - June 2014).	6	Investment Managers Series Trust II, a registered investment company (includes 11 portfolios).

Name, Address, Year of Birth and Position(s) held with Trust	Term of Office[c] and Length of Time Served	Principal Occupation During the Past Five Years and Other Affiliations	Number of Portfolios in the Fund Complex Overseen by Trustee[d]	Other Directorships Held by Trustee During the Past Five Years
Interested Trustee:				
Eric M. Banhazl[b†] (born 1957) Trustee	Since January 2008	Chairman (2016 – present), and President (2006 – 2015), Mutual Fund Administration, LLC, the co-administrator for the Fund. Trustee and Vice President, Investment Managers Series Trust (December 2007 – March 2016).	6	Investment Managers Series Trust II, a registered investment company (includes 11 portfolios).
Officers of the Trust:				
Maureen Quill[a] (born 1963) President	Since June 2014	Chief Operating Officer (June 2014 - present), and Executive Vice President, UMB Fund Services, Inc. (January 2007 – June 2014). Vice President, Investment Managers Series Trust (December 2013 - June 2014).	N/A	N/A
Rita Dam[b] (born 1966) Treasurer and Assistant Secretary	Since December 2007	Co-Chief Executive Officer (2016 – present), and Vice President (2006 – 2015), Mutual Fund Administration, LLC.	N/A	N/A
Joy Ausili[b] (born 1966) Vice President, Assistant Secretary and Assistant Treasurer	Since March 2016	Co-Chief Executive Officer (2016 – present), and Vice President (2006 – 2015), Mutual Fund Administration, LLC. Secretary and Assistant Treasurer, Investment Managers Series Trust (December 2007 – March 2016).	N/A	N/A
Diane Drake[b] (born 1967) Secretary	Since March 2016	Senior Counsel, Mutual Fund Administration, LLC (October 2015 – present). Managing Director and Senior Counsel, BNY Mellon Investment Servicing (US) Inc. (2010 – 2015).	N/A	N/A
Martin Dziura[b] (born 1959) Chief Compliance Officer	Since June 2014	Principal, Dziura Compliance Consulting, LLC (October 2014 – present). Managing Director, Cipperman Compliance Services (2010 – September 2014). Chief Compliance Officer, Hanlon Investment Management (2009 – 2010). Vice President – Compliance, Morgan Stanley Investment Management (2000 – 2009).	N/A	N/A

a Address for certain Trustees and certain officers: 235 West Galena Street, Milwaukee, Wisconsin 53212.
b Address for Mr. Banhazl, Ms. Ausili, Ms. Dam and Ms. Drake: 2220 E. Route 66, Suite 226, Glendora, California 91740.
Address for Mr. Dziura: 39 Stafford Square, Boyertown, Pennsylvania 19512.
c Trustees and officers serve until their successors have been duly elected.
d The Trust is comprised of numerous series managed by unaffiliated investment advisors. The term "Fund Complex" applies only to the Funds managed by the same investment advisor. The Fund's investment advisor also serves as investment advisor to the Horizon Spin-off and Corporate Restructuring Fund, Center Coast MLP Focus Fund, West Loop Realty Fund, Robinson Tax Advantaged Income Fund, Robinson Opportunistic Income Fund and Braddock Multi-Strategy Income Fund which are offered in a separate prospectus. The Fund does not hold itself out as related to any other series within the Trust, for purposes of investment and investor services.
† Mr. Banhazl is an "interested person" of the Trust by virtue of his position with Mutual Fund Administration, LLC.

Horizon Spin-off and Corporate Restructuring Fund
EXPENSE EXAMPLE
For the Six Months Ended April 30, 2017 (Unaudited)

Expense Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments on certain classes, and (2) ongoing costs, including management fees; distribution and/or service (12b-1) fees (Class A and Class C only); and other Fund expenses. The examples below are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

These examples are based on an investment of $1,000 invested at the beginning of the period and held for the entire period from November 1, 2016 to April 30, 2017.

Actual Expenses

The information in the row titled "Actual Performance" of the table below provides actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid over the period. 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 in the appropriate row for your share class, under the column titled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the row titled "Hypothetical (5% annual return before expenses)" of the table below provides hypothetical account values and hypothetical expenses based on the Fund's actual expense ratios and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare these 5% hypothetical examples with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as sales charges (load) or contingent deferred sales charges. Therefore, the information in the rows titled "Hypothetical (5% annual return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

		Beginning Account Value	Ending Account Value	Expenses Paid During Period*
		11/1/16	4/30/17	11/1/16 – 4/30/17
Class A	Actual Performance	$ 1,000.00	$ 1,100.00	$ 7.84
	Hypothetical (5% annual return before expenses)	1,000.00	1,017.33	7.53
Class C	Actual Performance	1,000.00	1,095.60	11.71
	Hypothetical (5% annual return before expenses)	1,000.00	1,013.62	11.25
Institutional Class	Actual Performance	1,000.00	1,102.10	6.54
	Hypothetical (5% annual return before expenses)	1,000.00	1,018.57	6.28

* Expenses are equal to the Fund's annualized expense ratio of 1.51%, 2.25% and 1.26% for Class A, Class C and Institutional Class, respectively, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the six month period). The expense ratios reflect an expense waiver. Assumes all dividends and distributions were reinvested.

Horizon Spin-off and Corporate Restructuring Fund
A series of Investment Managers Series Trust

Investment Advisor
Liberty Street Advisors, Inc.
100 Wall Street, 20^{th} Floor
New York, New York 10005

Sub-Advisor
Horizon Asset Management LLC
470 Park Avenue South, 4^{th} Floor South
New York, New York 10016

Independent Registered Public Accounting Firm
Tait, Weller & Baker LLP
1818 Market Street, Suite 2400
Philadelphia, Pennsylvania 19103

Custodian
UMB Bank, n.a.
928 Grand Boulevard, 5^{th} Floor
Kansas City, Missouri 64106

Fund Co-Administrator
Mutual Fund Administration, LLC
2220 E. Route 66, Suite 226
Glendora, California 91740

Fund Co-Administrator, Transfer Agent and Fund Accountant
UMB Fund Services, Inc.
235 W. Galena Street
Milwaukee, Wisconsin 53212

Distributor
Foreside Fund Services, LLC
Three Canal Plaza, Suite 100
Portland, Maine 04101
www.foreside.com

FUND INFORMATION

	TICKER	CUSIP
Horizon Spin-off and Corporate Restructuring Fund Class A	LSHAX	461 418 840
Horizon Spin-off and Corporate Restructuring Fund Class C	LSHCX	461 418 832
Horizon Spin-off and Corporate Restructuring Fund Institutional Class	LSHUX	461 418 824

Privacy Principles of the Horizon Spin-off and Corporate Restructuring Fund for Shareholders
The Fund is committed to maintaining the privacy of its shareholders and to safeguarding its non-public personal information. The following information is provided to help you understand what personal information the Fund collects, how we protect that information and why, in certain cases, we may share information with select other parties.

Generally, the Fund does not receive any non-public personal information relating to its shareholders, although certain non-public personal information of its shareholders may become available to the Fund. The Fund does not disclose any non-public personal information about its shareholders or former shareholders to anyone, except as permitted by law or as is necessary in order to service shareholder accounts (for example, to a transfer agent or third party administrator).

This report is sent to shareholders of the Horizon Spin-off and Corporate Restructuring Fund for their information. It is not a Prospectus, circular or representation intended for use in the purchase or sale of shares of the Fund or of any securities mentioned in this report.

Proxy Voting Policies and Procedures
A description of the Fund's proxy voting policies and procedures related to portfolio securities is available without charge, upon request, by calling the Fund at (800) 207-7108, on the Fund's website at http://www.libertystreetfunds.com or on the U.S. Securities and Exchange Commission's ("SEC") website at http://www.sec.gov.

Proxy Voting Record
Information regarding how the Fund voted proxies for portfolio securities, if applicable, during the most recent 12-month period ended June 30, is also available, without charge and upon request by calling (800) 207-7108, on the Fund's website at http://www.libertystreetfunds.com or by accessing the Fund's Form N-PX on the SEC's website at http://www.sec.gov.

Form N-Q Disclosure
The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Form N-Q is available on the SEC website at http://www.sec.gov or by calling the Fund at (800) 207-7108. The Fund's Form N-Q may also be viewed and copied at the SEC's Public Reference Section in Washington, DC. Information on the operation of the Public Reference Section may be obtained by calling (800) SEC-0330.

Householding Mailings
To reduce expenses, the Trust may mail only one copy of Fund's prospectus and each annual and semi-annual report to those addresses shared by two or more accounts. If you wish to receive individual copies of these documents, please call us at (800) 207-7108 or contact your financial institution. The Trust will be sending you individual copies thirty days after receiving your request.

Horizon Spin-off and Corporate Restructuring Fund
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