AQR FUNDS

AQR International Defensive Equity Fund

12/31/2013

PERFORMANCE - as of 12/31/2013

	QTD	YTD	Annualized Total Return 1 Yr	3 Yr	5 Yr	Since Inception (07/09/2012)
Class I Shares: ANDIX	2.97 %	14.64 %	14.64 %	N/A	N/A	15.31 %
Class N Shares: ANDNX	2.88 %	14.33 %	14.33 %	N/A	N/A	15.05 %
MSCI World ex USA (Net) Index	5.56 %	21.02 %	21.02 %	N/A	N/A	25.10 %

MSCI World ex USA (Net) Annualized Volatility	12.4 %	ANDIX Annualized Volatility	10.0 %

As of the latest Prospectus, the gross expense ratios for the Class N and Class I are expected to be 6.99% and 5.03%, respectively. See Fund Facts below for net expense ratios. The performance data quoted represents past performance. Past performance does not guarantee future results. Investment returns 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. Call 1-866-290-2688 or visit www.aqrfunds.com for current month-end performance.

COUNTRY EXPOSURES (%)*

	AQR Int'l Def Equity Fund	MSCI World ex USA (Net) Index	Fund - Index
Australia	16.0 %	6.8 %	9.2 %
Austria	0.0 %	0.2 %	-0.2 %
Belgium	1.2 %	1.1 %	0.1 %
Canada	17.8 %	9.0 %	8.8 %
Denmark	2.1 %	0.6 %	1.5 %
Finland	0.2 %	0.8 %	-0.7 %
France	4.7 %	9.2 %	-4.4 %
Germany	5.0 %	8.7 %	-3.7 %
HongKong	4.6 %	2.6 %	2.0 %
Ireland	0.0 %	0.3 %	-0.2 %
Israel	0.0 %	0.4 %	-0.4 %
Italy	0.8 %	2.0 %	-1.3 %
Japan	16.8 %	19.1 %	-2.3 %
Netherlands	2.0 %	2.5 %	-0.5 %
NewZealand	0.0 %	0.1 %	-0.1 %
Norway	1.5 %	0.7 %	0.8 %
Portugal	0.0 %	0.2 %	-0.2 %
Singapore	2.2 %	1.3 %	0.9 %
Spain	1.1 %	3.1 %	-2.0 %
Sweden	3.1 %	3.0 %	0.2 %
Switzerland	5.6 %	8.1 %	-2.5 %
UnitedKingdom	15.3 %	20.0 %	-4.8 %
Total Equity Investments	**100.0 %**	**100.0 %**	**0.0 %**

*Portfolio holdings are subject to change and should not be considered a recommendation to buy or sell securities. Any ETFs held by the Fund are accounted for in the country and sector exposures by the index's underlying holdings.

SECTOR EXPOSURE (%)*

	AQR Int'l Def Equity Fund	MSCI World ex USA (Net) Index	Fund - Index
Consumer Discretionary	11.7 %	11.4 %	0.3 %
Consumer Staples	24.2 %	10.3 %	13.9 %
Energy	6.3 %	8.5 %	-2.2 %
Financials	10.5 %	26.9 %	-16.4 %
Health Care	14.3 %	9.0 %	5.3 %
Industrials	6.7 %	12.4 %	-5.7 %
Information Technology	3.9 %	4.2 %	-0.3 %
Materials	5.0 %	8.4 %	-3.4 %
Telecommunication Services	8.9 %	5.5 %	3.4 %
Utilities	8.5 %	3.3 %	5.1 %
Total Equity Investments	**100.0 %**	**100.0 %**	**0.0 %**

TOP TEN HOLDINGS (%)†

Security	% of Net Assets
ISHARES MSCI EAFE ETF	6.6 %
TELSTRA	1.4 %
NESTLE	1.4 %
WESFARMERS	1.4 %
WOOLWORTHS	1.4 %
ASTRAZENECA	1.4 %
BCE	1.3 %
BEIERSDORF	1.3 %
TIM HORTONS	1.3 %
SINGAPORE TELECOMMUNICATIONS	1.2 %
Top Ten Total (%)	**18.7 %**

PORTFOLIO STATISTICS (%)*

	AQR Int'l Def Equity Fund	MSCI World ex USA (Net) Index
# of stocks	221	999
EPS Growth (5 Year)	5.4	1.6
P/B	2.5	1.7
P/E (trailing 12 months)	18.4	16.3
Debt/Equity	0.5	1.0

	AQR Int'l Def Equity Fund	MSCI World ex USA (Net) Index
Median Market Cap ($MM)	14,598	9,183
Average Market Cap ($MM)	40,129	65,368
Predicted Beta	0.7	1.0
Total Fund Assets ($MM)	**23**	**N/A**

*Please see following page for Portfolio Statistic details & definitions

FUND FACTS

	Ticker	CUSIP	Inception Date	Investment Minimum	Gross Expense Ratio**	Net Expense Ratio**
Class I Shares	ANDIX	00203H693	7/09/2012	$5 Million	5.03%	0.68%
Class N Shares	ANDNX	00203H743	7/09/2012	$1 Million	6.99%	0.93%

**As reported in the most recent Prospectus. The Adviser has contractually agreed until at least April 30, 2014 to waive its management fee and/or reimburse expenses of the Fund to the extent necessary to maintain the total annual fund operating expenses at the stated levels, exclusive of certain expenses such as acquired fund fees and extraordinary expenses. See the Prospectus for additional details.

ABOUT THE FUND

Investment Objective:
Long-term capital appreciation.

Reasons to Invest:

The Fund seeks to provide exposure to International stock markets with lower volatility than its stock market benchmark.

The Fund's strategy seeks to provide downside protection with upside potential through active stock selection, risk management and diversification.

Key Advantages:

Academic Research Foundation
Investment approach to momentum investing grounded in academic research dating back to the late 1960s.

Experienced Management Team
AQR's core investment and research team has been together since the early 1990s.

Trading Infrastructure
Ability to minimize transaction costs using proprietary trading algorithms and direct market access.

Cutting Edge Research
AQR is a thought leader on low-risk, high-quality investing with an ongoing commitment to research and development.

INVESTMENT APPROACH

- The Fund pursues a "defensive" strategy that provides exposure to Emerging stock markets with lower volatility and draw-downs relative to its stock market benchmark through active stock selection, risk management and diversification.
- The investment universe for the Fund is comprised of International equities, including large-cap, mid-cap and small-cap companies.
- The Fund seeks to invest in lower beta stocks of companies with stable businesses, high profitability, low operating and financial leverage, lower earnings-per-share variability and other measures of quality.
- These stocks generally are less volatile than the market average, and are expected to produce higher risk-adjusted returns over a full market cycle than market indexes.
- The Fund utilizes a proprietary optimization process and a number of sophisticated trading techniques to manage transaction costs.

The Morgan Stanley Capital International World ex-USA Index is a market capitalization weighted index composed of companies representative of the market structure of 23 Developed Market countries in North America, Europe and the Asia/Pacific Region, excluding the USA. One cannot invest directly in an index.

Beta: A measure of systematic risk of a stock or a portfolio.

Debt/Equity: A leverage measure of a company's net debt to book value of equity ratio.

P/B (Price to Book Ratio): A valuation ratio of a company's current share price compared to its book value.

P/E (Price to Earnings Ratio): A valuation ratio of a company's current share price compared to its per-share earnings.

EPS Growth (5 Year): The growth of the earning per share over the last five years.

Volatility: Annualized standard deviation of the past 12 month daily returns of a given security or index.

PRINCIPAL RISKS

Past performance is no guarantee of future results. An investment in the Funds involves risk, including loss of principal.

Foreign and Emerging Market investing involves special risks such as currency fluctuations and political uncertainty. Funds that emphasize investments in small and mid-cap companies generally will experience greater price volatility. The Adviser from time to time employs various hedging techniques, it is not possible to hedge fully or perfectly against any risk, and hedging entails its own costs.

Foreign investing involves special risks such as currency fluctuations and political uncertainty. Funds that emphasize investments in small and mid-cap companies generally will experience greater price volatility. The Adviser from time to time employs various hedging techniques, it is not possible to hedge fully or perfectly against any risk, and hedging entails its own costs.

An investment in the Fund is subject to risks, including the possibility that the value of the Fund's portfolio holdings may fluctuate in response to events specific to the companies in which the Fund invests, as well as economic, political or social events in the United States or abroad.

An investor should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. To obtain a Prospectus containing this and other information, please call 1- 866-290-2688 or download the file from www.aqrfunds.com. Read the Prospectus carefully before you invest. There is no assurance the stated objective(s) will be met. [AQR3049 expiration date 1-22-2015] © AQR Funds distributed by ALPS Distributors, Inc.

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