

BITCOIN INVESTMENT TRUST

A Delaware Trust

Sponsored by

Grayscale Investments, LLC
636 Avenue of the Americas
New York, New York 10011
Telephone: (212) 668-6682
Facsimile: (917) 677-8691

Primary Standard Industrial Code: 6221

QUARTERLY REPORT

For the quarterly period ended March 31, 2015

Shares Representing Common Units of Fractional Undivided Beneficial Interest
No Par Value Per Share
Unlimited Shares Authorized
1,389,900 Shares Issued and Outstanding as of March 31, 2015

OTCQX: GBTC

Grayscale Investments, LLC (the “Sponsor”), on behalf of Bitcoin Investment Trust (the “Trust”), is responsible for the content of this quarterly report for the quarter ended March 31, 2015 (the “Quarterly Report”), which has been prepared to fulfill the disclosure requirements of the OTCQX U.S. Premier marketplace. The information contained in this Quarterly Report has not been filed with, or approved by, the U.S. Securities and Exchange Commission (the “SEC”) or any state securities commission. Any representation to the contrary is a criminal offense.

All references to “the Trust,” “the Sponsor,” “the Issuer,” “Bitcoin Investment Trust,” “we,” “us” or “our” refers to the Trust or the Sponsor, as the context indicates. The Trust is a passive entity with no operations, and where the context requires, we provide disclosure with respect to the Sponsor, which administers the Trust.

Dated as of May 14, 2015

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Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report includes “forward-looking statements” which generally relate to future events or future performance. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or the negative of these terms or other comparable terminology. All statements (other than statements of historical fact) included in this Quarterly Report that address activities, events or developments that will or may occur in the future, including such matters as changes in currency prices and market conditions (for the bitcoins and the Shares (as defined below)), the Trust’s operations, the Sponsor’s plans and references to the Trust’s future success and other similar matters are forward-looking statements. These statements are only predictions. Actual events or results may differ materially. These statements are based upon certain assumptions and analyses the Sponsor made, based on its perceptions of historical trends, current conditions and expected future developments, as well as other factors appropriate in the circumstances. Whether or not actual results and developments will conform to the Sponsor’s expectations and predictions, however, is subject to a number of risks and uncertainties, including the special considerations discussed in this Quarterly Report, general economic, market and business conditions, changes in laws and regulations, including those concerning taxes, made by governmental authorities and regulatory bodies and other world economic and political developments. See the section entitled “Risk Factors” in our Annual Report. Consequently, all forward-looking statements made in this Quarterly Report are qualified by these cautionary statements, and there can be no assurance that the actual results or developments that the Sponsor anticipates will be realized or, even if substantially realized, that they will result in the expected consequences to, or have the expected effects on, the Trust’s operations or the value of the Shares. Moreover, neither the Sponsor nor any other person assumes responsibility for the accuracy or completeness of the forward-looking statements. Neither the Trust nor the Sponsor is under a duty to update any of the forward-looking statements to conform such statements to actual results or to reflect a change in the Sponsor’s expectations or predictions.

The risk factors included in our Annual Report continue to apply to us, and describe risks and uncertainties that could cause actual results to differ materially from the results expressed or implied by the forward-looking statements contained in this Quarterly Report. There have not been any material changes from the risk factors previously described in our Annual Report.

Glossary

In this Quarterly Report, each of the following terms has the meaning assigned to it here:

“Annual Report” — The Trust’s Annual Report for the year ended December 31, 2014.

“Assumed Fee” — The Constituent Fees, the Shareholder Communications Hub fee, Transfer Agent fee, Trustee fee, OTCQX Fees and expenses related to public trading on OTCQX in an amount up to \$600,000 annually (including legal and audit fees and expenses), any other legal and accounting fees, regulatory fees, printing and mailing costs, and applicable license fees.

“Authorized Participant” — Certain eligible financial institutions that have entered into an agreement with the Trust and the Sponsor concerning the creation and redemption of Shares. Each Authorized Participant (i) is a registered broker-dealer, (ii) has entered into a Participant Agreement with the Sponsor and the Trust, and (iii) has access to an Authorized Participant Self-Administered Account.

“Authorized Participant Self-Administered Account” — a bitcoin wallet address previously known to the Custodian as belonging to the Authorized Participant.

“Basket” — A block of 100 Shares.

“Basket Bitcoin Amount” — The number of bitcoins that will be required for each Creation Basket or Redemption Basket, as determined from time to time by dividing the number of bitcoins owned by the Trust at such time by the number of Shares outstanding at such time (calculated to one one-hundred-millionth of one bitcoin) and multiplying the quotient obtained by 100.

“Bitcoin” — A type of a virtual currency based on an open source cryptographic protocol existing on the Bitcoin Network, facilitating units of bitcoins which comprise the assets underlying the Trust’s Shares.

“Bitcoin Account” — is a hot wallet which is online and connected to the internet. The Bitcoin Account is used along with the Trust Storage Account and Trust Safekeeping Account, as applicable, to receive Creation Basket deposits from Authorized Participants. Shortly after receipt of the appropriate number of bitcoins, the bitcoins are then transferred to the Trust Storage Account and/or the Trust Safekeeping Account, as applicable.

“Bitcoin Exchange” — An electronic marketplace where exchange participants may trade, buy and sell bitcoins based on bid-ask trading. The largest Bitcoin Exchanges are online and typically trade on a 24-hour basis, publishing transaction price and volume data.

“Bitcoin Exchange Market” — The global bitcoin exchange market for the trading of bitcoins, which consists of transactions on electronic Bitcoin Exchanges.

“Bitcoin Market Price” — As defined in the “Description of the Trust– Bitcoin Market Price” contained in our Annual Report.

“Bitcoin Network” — The online, end-user-to-end-user network hosting the public transaction ledger, known as the Blockchain, and the source code comprising the basis for the cryptographic and algorithmic protocols governing the Bitcoin Network.

“Blockchain” — The public transaction ledger of the Bitcoin Network on which miners or mining pools solve algorithmic equations allowing them to add records of recent transactions (called “blocks”) to the chain of transactions in exchange for an award of bitcoins from the Bitcoin Network and the payment of transaction fees, if any, from users whose transactions are recorded in the block being added.

“Combined Fee” — Accrues daily at an annual rate of 2% of the NAV of the Trust and is payable to the Sponsor by the Trust at such times as determined in the Sponsor’s sole discretion, and generally expected to occur monthly in arrears. Calculated in USD but paid in the equivalent number of bitcoins.

“Combined Fee Exchange Rate” — The exchange rate that will be used to convert the Combined Fee from USD to the appropriate number of bitcoins. It is calculated based upon the Bitcoin Market Price at 4:00 p.m. New York time in the case of daily accruals and as of the day of each withdrawal and payment in arrears. The Combined Fee Exchange Rate does not include fees and expenses for converting USD into bitcoins.

“Constituent Fee” — The Marketing Fee, Custodian Fee, and the Sponsor Fee which constitute the Combined Fee.

“Creation Basket” — Basket of Shares issued by the Trust in exchange for deposits of the Creation Basket Bitcoin Amount.

“Creation Basket Bitcoin Amount” — The number of bitcoins that will be required for each Creation Basket, as determined from time to time by dividing the number of bitcoins owned by the Trust at such time by the number of Shares outstanding at such time (calculated to one one-hundred-millionth of one bitcoin) and multiplying the quotient obtained by 100.

“Custodian” — SecondMarket Holdings, Inc.

“Custodian Fee” — Fee paid by the Sponsor to the Custodian from the Constituent Fee.

“Distributor” — SecondMarket, Inc.

“Extraordinary Fee” — In certain extraordinary circumstances, the expenses paid by the Trust in addition to the Combined Fee and the Assumed Fees, such as, but not limited to, taxes and governmental charges, expenses and costs of any extraordinary services performed by the Sponsor (or any other Service Provider) on behalf of the Trust to protect the Trust or the interests of Shareholders, indemnification expenses, fees and expenses related to public trading on OTCQX in excess of \$600,000 annually, and extraordinary legal fees and expenses.

“GAAP” — United States Generally Accepted Accounting Principles

“Independent Auditor” — Ernst & Young LLP.

“Index” — The TradeBlock XBX Index.

“Investment Company Act” — Investment Company Act of 1940, as amended.

“Marketer” — SecondMarket, Inc.

“Marketing Fee” — Fee paid by the Sponsor to the Marketer from the Constituent Fee.

“Non-GAAP NAV” — unless otherwise noted, net asset value (“NAV”) has been calculated on a non-GAAP basis as described in more detail in the section entitled “Description of the Trust—non-GAAP Net Asset Value” contained in our Annual Report.

“OTCQX” means the OTCQX tier of the OTC Markets Group Inc.

“OTCQX Fees” means the fees outlined by Part 5 of the OTCQX Rules for U.S. Companies, as amended from time to time.

“Participant Agreement” — An agreement entered into by each Authorized Participant with the Sponsor and the Trust that states the procedures for the creation and redemption of Baskets and for the delivery of bitcoins from the Authorized Participant required for Creation Baskets and the distribution of bitcoins from the Trust for Redemption Baskets.

“Quarterly Report” — This Quarterly Report for the quarterly period ended March 31, 2015.

“Redemption Basket” — Baskets of Shares redeemed in exchange for bitcoins in an amount equal to the Redemption Basket Bitcoin Amount.

“Redemption Basket Bitcoin Amount” — The number of bitcoins that will be required for each Redemption Basket, as determined from time to time by dividing the number of bitcoins owned by the Trust at such time by the number of Shares outstanding at such time (calculated to one one-hundred-millionth of one bitcoin) and multiplying the quotient obtained by 100.

“SEC” — The U.S. Securities and Exchange Commission.

“Securities Act” — Securities Act of 1933, as amended.

“Securities Exchange Act” — Securities Exchange Act of 1934, as amended.

“Service Providers” — Collectively, Grayscale Investments, LLC, Continental Stock Transfer Corporation, SecondMarket, Inc., SecondMarket Holdings, Inc. and SecondMarket Solutions, Inc. (f/k/a SM Systems, Inc.)

“Shareholder” — Any beneficial owner of a Share.

“Shareholder Communications Hub” — SecondMarket Solutions, Inc. (f/k/a SM Systems, Inc.)

“Shares” — Common units of fractional undivided beneficial interest in the Trust.

“Sponsor” — Grayscale Investments, LLC.

“Sponsor Fee” — The remaining amount, if any, paid to the Sponsor after the Constituent Fees and/or Assumed Fees from the Combined Fee have been paid first.

“Transfer Agent” — Continental Stock Transfer Corporation.

“Trust” — Bitcoin Investment Trust.

“Trust Agreement” — The Second Amended and Restated Declaration of Trust and Trust Agreement between the Trustee and the Sponsor establishing and governing the operations of the Trust, as the same may be amended from time to time.

“Trust Safekeeping Account” — is a wallet that is not online and not connected to the internet. Bitcoins in the Trust Safekeeping Account are in “deep” cold storage. Approximately 80% of the Trust’s bitcoins may be held in the Trust Safekeeping Account, although such amount may vary materially from time to time. The Trust Safekeeping Account will be stored in a safety deposit box. Bitcoins in the Trust Safekeeping Account are not readily accessible to the Trust. Access to the bitcoins deposited in the Trust Safekeeping Account can only be accessed as provided by the rules of the Custodian and will require a delay with respect to withdrawing bitcoins from the Trust Safekeeping Account.

“Trust Storage Account” — is a wallet that is not online and not connected to the internet. Bitcoins in the Trust Storage Account are in cold storage. Up to approximately 20% of the Trust’s bitcoins may be held in the Trust Storage Account, although such amount may vary materially from time to time. Bitcoins in the Trust Storage Account are readily accessible to the Trust and such bitcoins may be used to pay Redemption Baskets and Trust expenses.

“Trustee” — Delaware Trust Company (formerly known as CSC Trust Company of Delaware).

“USD” or “\$” — United States Dollar or Dollars.

Item 1. The exact name of the issuer and the address of its principal executive offices.

The name of the trust is the Bitcoin Investment Trust.

The address of the Sponsor is: Grayscale Investments, LLC
636 Avenue of the Americas
New York, New York 10011

The Sponsor's telephone number is: (212) 668-6682

The Sponsor's facsimile number is: (917) 677-8691

The Sponsor's website: The Sponsor maintains a corporate website, www.grayscale.co, which contains general information about the Trust and the Sponsor. The reference to our website is an interactive textual reference only, and the information contained on our website shall not be deemed incorporated by reference herein.

Investor relations contact: Terrence Dempsey
Manager
Grayscale Investments, LLC
636 Avenue of the Americas
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Facsimile: (917) 677-8691
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Item 2. Shares outstanding.

The only class of securities outstanding is common units of fractional undivided beneficial interest ("Shares") which represent ownership in the Trust. The Trust's trading symbol on the OTCQX U.S. Premier Marketplace of the OTC Markets Group Inc. is "GBTC" and the CUSIP number for its Shares is 09173T108.

As of March 31, 2015, the Trust had unlimited Shares authorized. As of March 31, 2015, there were 1,389,900 Shares issued and outstanding.

The following table shows the number of the Shares outstanding as of March 31, 2015:

	As of Quarter Ended March 31, 2015
(i) Number of shares authorized	Unlimited
(ii) Number of shares outstanding	1,389,900
(iii) Number of shares freely tradable (public float)	558,469
(iv) Number of unaffiliated beneficial holders of freely tradable shares	114
(v) Number of holders of record	185

Item 3. Unaudited interim financial statements.

The Trust’s unaudited interim financial statements as of and for the quarterly period ended March 31, 2015 are attached as Exhibit 1 to this Quarterly Report. The historical results presented herein are not necessarily indicative of financial results to be achieved in future periods. The Trust’s unaudited financial statements attached as an exhibit to this Quarterly Report are incorporated herein by reference and are considered as part of this Quarterly Report.

Item 4. Management’s Discussion and Analysis (unaudited).

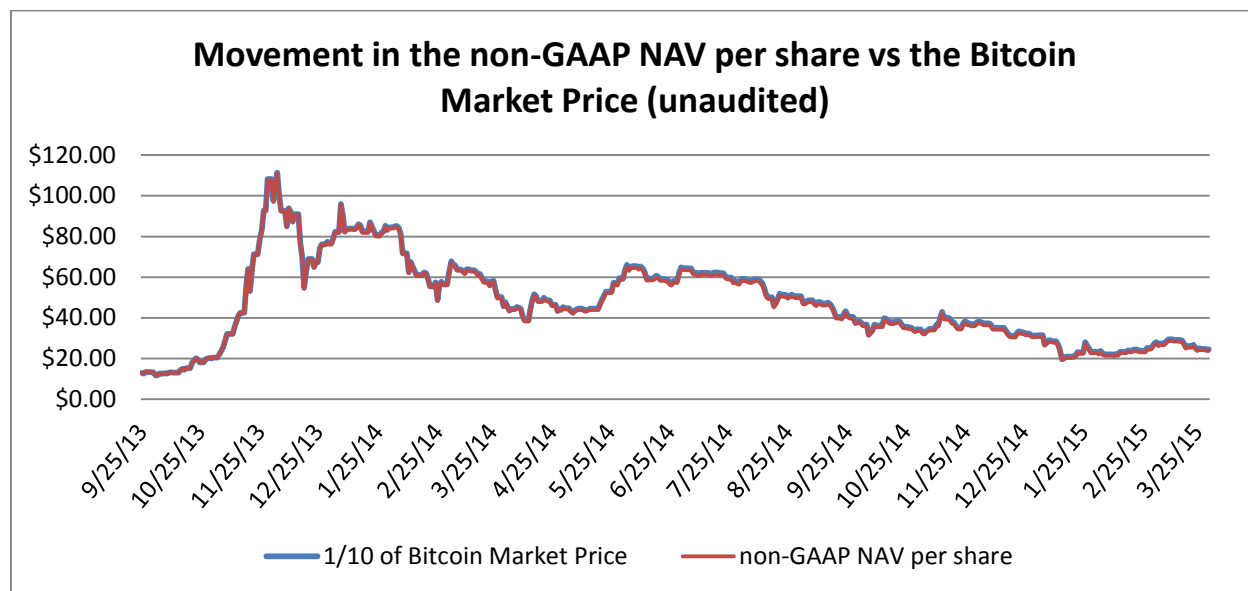
The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited financial statements and related notes attached as an exhibit to this Quarterly Report. The following discussion may contain forward-looking statements based on current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under “Risk Factors” or in other sections of our Annual Report.

Trust Overview

The Trust is a Delaware statutory trust that was formed on September 13, 2013. The Trust is a passive entity that does not have any officers, directors, or employees, and is managed and administered by the Sponsor. The Trust holds bitcoins and, from time to time, issues Creation Baskets in exchange for deposits of bitcoins and distributes bitcoins in connection with Redemption Baskets. As a passive investment vehicle, the investment objective of the Trust is for the Shares to reflect the performance of the price of bitcoins, less the liabilities of the Trust, including estimated accrued expenses. The Shares are designed to provide investors with a cost effective and convenient way to invest in bitcoin. The Trust is not managed like a business corporation or an active investment vehicle.

As of the date of this Quarterly Report, SecondMarket, Inc. is the only Authorized Participant. An updated list of Authorized Participants can be obtained from the Sponsor.

Investing in the Shares does not insulate the investor from certain risks, including price volatility. The following table illustrates the movement in the non-GAAP NAV of the Shares since September 25, 2013 through March 31, 2015:



For more information about how we determine the non-GAAP NAV of the Shares, see the section entitled “Description of the Trust — non-GAAP Net Asset Value” in our Annual Report.

Critical Accounting Policies

Valuation of Bitcoin

Bitcoins are held by the Custodian on behalf of the Trust and are carried, for financial statement purposes, at fair value. Unlike the non-GAAP procedure used for determining NAV and Bitcoin Market Price which are calculated using a weighted average calculated across multiple bitcoin exchanges, the fair value of bitcoin presented in the financial statements is calculated in accordance with U.S. Generally Accepted Accounting Principles based on the price provided by the bitcoin exchange the Trust considers its primary market at the close of business at 4:00 p.m., New York time. The cost basis of the investment in bitcoin recorded by the Trust is the fair value of bitcoin at the time of transfer. The cost basis recorded by the Trust may differ from proceeds collected by the Authorized Participant from the sale of each Share to investors.

Investment Company Considerations

The Trust is an investment company for GAAP purposes and follows accounting and reporting guidance in accordance with the Financial Accounting Standards Board Accounting Standards Codification Topic 946. GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

Review of Financial Results

Financial Highlights

(All amounts in the following table and the subsequent paragraphs, except per share, are in 000s of US\$)	Three months ended March 31, 2015	Three months ended March 31, 2014	Percent Change
Net realized and change in unrealized loss	\$(10,061)	\$(25,093)	(60%)
Net decrease in net assets resulting from operations	(10,229)	(25,363)	(60%)
Net assets	\$32,756	\$43,636	(25%)

Net realized and change in unrealized loss for the three months ended March 31, 2015 was \$10,061, which includes a realized loss of \$117 on the distribution of bitcoins to pay expenses. Net assets decreased to \$32,756 at March 31, 2015, a 23% decrease for the period. The decrease in net assets resulted primarily from bitcoin price decline.

Net realized and change in unrealized loss for the three months ended March 31, 2014 was \$25,093, which includes a realized gain of \$83 on the distribution of bitcoins to pay expenses. Net assets decreased to \$43,636 at March 31, 2014, a 15% decrease for the period. The decrease in net assets resulted primarily from bitcoin price decline.

Off-Balance Sheet Arrangements

The Trust is not a party to any off-balance sheet arrangements.

Cash Resources and Liquidity

The Trust has not had a cash balance at any time since inception. When selling bitcoins to pay expenses, the Sponsor endeavors to sell the exact number of bitcoins needed to pay expenses in order to minimize the Trust's holdings of assets other than bitcoin. As a consequence, we expect that the Trust will not record any cash flow from its operations and that its cash balance will be zero at the end of each reporting period.

In exchange for a fee, the Sponsor has agreed to assume most of the expenses incurred by the Trust. As a result, the only ordinary expense of the Trust during the periods covered by this Quarterly Report was the Sponsor's fee. The Trust's only source of liquidity is its sales of bitcoins. The Trust is not aware of any trends, demands, conditions or events that are reasonably likely to result in material changes to its liquidity needs.

Quantitative and Qualitative Disclosures about Market Risk

The Trust Agreement does not authorize the Trustee to borrow for payment of the Trust's ordinary expenses. The Trust does not engage in transactions in foreign currencies which could expose the Trust or holders of Shares to any foreign currency related market risk. The Trust invests in no derivative financial instruments and has no foreign operations or long-term debt instruments.

Selected Non-GAAP Supplemental Data

	<u>For the quarter ended March 31, 2015</u>	<u>For the quarter ended March 31, 2014</u>	<u>Percent Change</u>
Bitcoins:			
Opening balance	134,777	69,735	93%
Creations.....	730	26,775	-97%
Redemptions	0	0	0%
Expense Payouts	665	244	172%
Accrued but unpaid Expenses.....	0	151	-100%
Closing balance.....	<u>134,842</u>	<u>96,115</u>	<u>40%</u>
Bitcoin Market Price.....	<u>\$245</u>	<u>\$457</u>	<u>-46%</u>
non-GAAP NAV	<u>\$33,144,164</u>	<u>\$43,991,892</u>	<u>-25%</u>
Number of Shares:			
Opening balance	1,382,400	701,100	97%
Creations.....	7,500	270,000	-97%
Redemptions	0	0	0%
Closing balance.....	<u>1,389,900</u>	<u>971,100</u>	<u>43%</u>
Ratio of Bitcoin per Share.....	0.09701562	0.09897552	-1.98%

On September 25, 2013, SecondMarket Holdings, Inc. contributed 17,800 Bitcoins to the Trust via SecondMarket, Inc. as Authorized Participant in exchange for 178,000 Shares. The ratio of Shares to bitcoins was determined by the Sponsor inasmuch as the Shares had no inherent value prior to the commencement of the Trust's operations. In the quarter ended March 31, 2015, an additional 7,500 Shares (75 Baskets), were created in exchange for 730 bitcoins, 0 Shares (0 Baskets) were redeemed in exchange for 0 bitcoins, and 665 bitcoins were deducted from the Trust's holdings and used by the Sponsor to settle expenses. In the quarter ended March 31, 2014, 270,000 Shares (2,700 Baskets), were created in exchange for 26,775 bitcoins, 0 Shares (0 Baskets) were redeemed in exchange for 0 bitcoins, and 395 bitcoins were deducted from the Trust's holdings to be used by the Sponsor to settle expenses of which 151 were payable to the Sponsor on March 31, 2014. For accounting purposes the Trust reflects creations and the bitcoin receivable with respect to such creations on the date of receipt of a notification of a creation, but does not issue Shares until the requisite number of bitcoins is received. In connection with Share redemptions, the Trust delivers bitcoins upon receipt of Shares.

As of March 31, 2015, the Trust owned 134,842 bitcoins, with a market value of approximately \$33,144,164, based on the non-GAAP Bitcoin Market Price on March 31, 2015.

Historical Bitcoin Prices

As movements in the price of bitcoins are expected to directly affect the price of the Shares, investors should understand recent movements in the price of bitcoin. Investors, however, should also be aware that past movements in the bitcoin price are not indicators of future movements.

The following chart provides historical background on the price of bitcoins. The chart illustrates movements in the price of bitcoin over the period from January 1, 2012 to March 31, 2015, and is based on the price reported by Bitstamp (or as reported by Bitfinex for the time period of January 5, 2015 through January 31, 2015 as Bitstamp suffered an operational interruption in its service) as of 4:00 p.m. ET on the applicable date.

During the period between inception and March 31, 2015, the bitcoin price, based on the price reported by Bitstamp (or as reported by Bitfinex for the time period of January 5, 2015 through January 31, 2015 as Bitstamp suffered an operational interruption in its service) as of 4:00 pm ET, traded between \$110.83 per bitcoin (10/2/2013) and \$1,138.29 (11/30/2013) and the average was \$463.93.

The quarterly and annual average, high, low and end-of-period bitcoin prices for the three years ended March 31, 2015, 2014 and 2013, and for the period from the inception of the Trust until March 31, 2015, based on the price reported by Bitstamp (or as reported by Bitfinex for the time period of January 5, 2015 through January 31, 2015 as Bitstamp suffered an operational interruption in its service) as of 4:00 p.m. ET on the applicable date were:

Period	Average	High	Date	Low	Date	End of period	Last business day
Three months to March 31, 2012.....	\$5.50	\$7.15	1/15/2012	\$4.38	2/18/2012	\$4.92	\$4.88
Three months to June 30, 2012.....	\$5.33	\$6.65	6/20/2012	\$4.70	4/7/2012	\$6.54	\$6.57
Three months to September 30, 2012.....	\$10.04	\$13.42	8/16/2012	\$6.47	7/3/2012	\$12.17	\$12.26
Three months to December 31, 2012.....	\$12.04	\$13.52	12/13/2012	\$9.81	10/26/2012	\$13.12	\$13.12
Three months to March 31, 2013.....	\$33.38	\$94.50	3/28/2013	\$12.83	1/1/2013	\$94.08	\$90.22
Three months to June 30, 2013.....	\$115.67	\$229.50	4/9/2013	\$60.01	4/11/2013	\$89.00	\$89.97
Three months to September 30, 2013.....	\$104.48	\$131.24	8/31/2013	\$65.65	7/6/2013	\$126.24	\$126.24
Three months to December 31, 2013.....	\$493.45	\$1,138.29	11/30/2013	\$110.83	10/2/2013	\$733.98	\$733.98
Three months to March 31, 2014.....	\$692.83	\$932.82	1/6/2014	\$452.74	3/30/2014	\$454.00	\$454.00
Three months to June 30, 2014.....	\$520.41	\$666.10	6/3/2014	\$393.30	4/10/2014	\$643.41	\$643.41
Three months to September 30, 2014.....	\$534.81	\$653.90	7/1/2014	\$374.83	9/29/2014	\$392.73	\$392.73
Three months to December 31, 2014.....	\$357.63	\$424.94	11/12/2014	\$310.00	12/30/2014	\$317.53	\$317.53
Three months to March 31, 2015.....	\$251.70	\$316.65	1/2/2015	\$184.84	1/14/2015	\$242.92	\$242.92
Twelve months ended March 31, 2013.....	\$15.13	\$94.50	3/28/2013	\$4.70	4/7/2012	\$94.08	\$90.22

Twelve months ended March 31, 2014.....	\$350.38	\$1,138.29	11/30/2013	\$60.01	4/11/2013	\$454.00	\$454.00
Twelve months ended March 31, 2015.....	\$416.75	\$666.10	6/3/2014	\$184.84	1/14/2015	\$242.92	\$242.92
September 13, 2013 (the inception of the Trust) to March 31, 2015.....	\$463.93	\$1,138.29	11/30/2013	\$110.83	10/2/2013	\$242.92	\$242.92

In the ordinary course of business, the Trust calculates the Bitcoin Market Price based on the values provided by the TradeBlock XBX Index (the “Index”), which takes into account prices set for bitcoins on certain bitcoin trading venues, or otherwise by looking to prices set for bitcoins on the major Bitcoin Exchanges as described in “Description of the Trust– Bitcoin Market Price” contained in our Annual Report. The following chart illustrates movements in the price of bitcoin over the period from July 1, 2014 (inception of the Index) to March 31, 2015, and is based on the 24-hour volume weighted price reported by the Index.

Period	Average	High	Date	Low	Date	End of period	Last business day
Three months ended September 30, 2014	\$533.69	\$647.19	7/2/2014	\$377.76	9/29/2014	\$379.37	\$379.37
Three months ended December 31, 2014.....	\$356.61	\$424.47	11/13/2014	\$309.46	10/5/2014	\$312.58	\$312.58
Three months ended March 31, 2015.....	\$251.55	\$316.76	1/1/2015	\$197.54	1/14/2015	\$245.80	\$245.80

The Trust’s transfer agent is Continental Stock Transfer & Trust Company (the “Transfer Agent”). The Transfer Agent’s address is 17 Battery Place, 8th Floor, New York, New York 10004, and its telephone number is (212) 509-4000. Continental Stock Transfer & Trust Company is registered under the Securities Exchange Act and is regulated by the SEC.

Item 5. Legal proceedings.

There are no current, past, pending or threatened legal proceedings or administrative actions either by or against the Trust or the Sponsor that could have a material effect on our business, financial condition or operations. Our securities are not a party to any past or pending trading suspensions by a securities regulator.

Item 6. Defaults upon senior securities.

None.

Item 7. Other information.

None.

Item 8. Exhibits.

Exhibit 1 Unaudited Financial Statements for the Three Months ended March 31, 2015

Item 9. Certifications.

Certification

I, Barry E. Silbert, certify that:

1. I have reviewed the Quarterly Report, exhibits, and all notes thereto of Bitcoin Investment Trust;
2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this Quarterly Report.

Dated May 14, 2015

/s/ Barry E. Silbert _____

By: Barry E. Silbert

Title: Chief Executive Officer of
Grayscale Investments, LLC

Certification

I, Simcha Wurtzel, certify that:

1. I have reviewed the Quarterly Report, exhibits, and all notes thereto of Bitcoin Investment Trust;
2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this Quarterly Report.

Dated May 14, 2015

/s/ Simcha Wurtzel_____

By: Simcha Wurtzel

Title: Vice President and Chief Financial Officer of
Grayscale Investments, LLC

BITCOIN INVESTMENT TRUST

EXHIBIT 1

Unaudited Financial Statements for the Three Months ended March 31, 2015

Bitcoin Investment Trust™

FINANCIAL STATEMENTS

Bitcoin Investment Trust
For the Three Months Ended March 31, 2015
(Unaudited)

Bitcoin Investment Trust

Financial Statements

For the Three Months Ended March 31, 2015

(Unaudited)

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Bitcoin Investment Trust
Statements of Assets and Liabilities
(Unaudited)

	March 31, 2015	December 31, 2014
(Amounts in U.S. Dollars, except share amounts)		
Assets:		
Investments in bitcoin, at fair value (cost \$57,678,613, and \$57,774,772 as of March 31, 2015, and December 31, 2014 respectively)	\$32,755,820	\$42,795,876
Total assets	\$32,755,820	\$42,795,876
Liabilities:		
Fees payable	\$ -	\$ -
Total liabilities	-	-
Net assets	\$32,755,820	\$42,795,876
Shares issued and outstanding, no par value (unlimited shares authorized)	1,389,900	1,382,400
Net asset value per share	\$ 23.57	\$ 30.96

See accompanying notes to financial statements.

Bitcoin Investment Trust
Schedules of Investments
(Unaudited)

March 31, 2015

	<u>Number of Bitcoin</u>	<u>Cost</u>	<u>Fair Value</u>	<u>% of Net Assets</u>
Investments in bitcoin	134,842.00513948	<u>\$57,678,613</u>	<u>\$32,755,820</u>	<u>100%</u>
Total investments		<u><u>\$57,678,613</u></u>	<u><u>\$32,755,820</u></u>	<u><u>100%</u></u>

December 31, 2014

	<u>Number of Bitcoin</u>	<u>Cost</u>	<u>Fair Value</u>	<u>% of Net Assets</u>
Investments in bitcoin	134,777.42574934	<u>\$57,774,772</u>	<u>\$42,795,876</u>	<u>100%</u>
Total investments		<u><u>\$57,774,772</u></u>	<u><u>\$42,795,876</u></u>	<u><u>100%</u></u>

See accompanying notes to financial statements.

Bitcoin Investment Trust
Statements of Operations
(Unaudited)

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
(Amounts in U.S. Dollars)		
Investment income:		
Investment income	\$ -	\$ -
Expenses:		
Management fees	167,549	269,158
Net investment loss	(167,549)	(269,158)
Net realized and change in unrealized loss on investments in bitcoin:		
Net realized (loss) gain on investments in bitcoin	(117,310)	82,704
Net change in unrealized loss on investments in bitcoin	(9,943,896)	(25,176,090)
Net realized and change in unrealized loss on investments in bitcoin:	(10,061,206)	(25,093,386)
Net decrease in net assets resulting from operations	\$ (10,228,755)	\$ (25,362,544)

See accompanying notes to financial statements.

Bitcoin Investment Trust
Statements of Changes in Net Assets
(Unaudited)

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
(Amounts in U.S. Dollars, except change in shares outstanding)		
Decrease in net assets from operations:		
Net investment loss	\$ (167,549)	\$ (269,158)
Net realized (loss) gain on investments in bitcoin	(117,310)	82,704
Net change in unrealized loss on investments in bitcoin	(9,943,896)	(25,176,090)
Net decrease in net assets resulting from operations	(10,228,755)	(25,362,544)
Increase in net assets from capital share transactions:		
Shares issued	188,699	17,952,947
Shares redeemed	-	-
Net increase in net assets resulting from capital share transactions	188,699	17,952,947
Net decrease in net assets from operations and capital share transactions	(10,040,056)	(7,409,597)
Net assets:		
Beginning of period	42,795,876	51,045,863
End of period	\$ 32,755,820	\$ 43,636,266
Change in shares outstanding		
Shares outstanding at beginning of period	1,382,400	701,100
Shares issued	7,500	270,000
Shares redeemed	-	-
Net increase in shares	7,500	270,000
Shares outstanding at end of period	1,389,900	971,100

See accompanying notes to financial statements.

Bitcoin Investment Trust
Statements of Cash Flows
(Unaudited)

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
<i>(Amounts in U.S. Dollars)</i>		
Cash flows from operating activities	\$ -	\$ -
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-
Increase (decrease) in cash	-	-
Cash and cash equivalents at beginning of period	-	-
Cash and cash equivalents at end of period	\$ -	\$ -
Supplemental disclosure of non-cash financing activities:		
Bitcoin received for creation of shares	\$ 188,699	\$17,952,947
Bitcoin distributed for redemption of shares	\$ -	\$ -

See accompanying notes to financial statements.

Bitcoin Investment Trust
Notes to Financial Statements
(Unaudited)

March 31, 2015

1. Organization

The Bitcoin Investment Trust (the “Trust” or “BIT”), a Delaware Trust that commenced operations on September 25, 2013, is an open-ended trust that is invested exclusively in bitcoin. The Trust holds bitcoin and, from time to time, issues shares (“Shares”) (in minimum denominations of 100, referred to as “Baskets”) in exchange for deposits of bitcoin and distributes bitcoin in connection with redemptions of Baskets. Shares of the Trust represent common units of fractional undivided beneficial interests in the Trust. The investment objective of the Trust is for the Shares to reflect the performance of the market price of bitcoin, less the Trust’s expenses.

Grayscale Investments LLC (“Grayscale” or the “Sponsor”) (formerly known as Alternative Currency Asset Management, LLC) acts as the sponsor of the Trust and is a wholly owned subsidiary of SecondMarket Holdings, Inc. The Sponsor monitors the overall performance of the Trust. Grayscale is responsible for preparing and providing periodic reports on behalf of the BIT to investors. Grayscale is also responsible for selecting and monitoring the BIT’s service providers. As payment for its services, Grayscale charges the Trust a management fee as discussed in Note 6.

Authorized Participants of the Trust are the only entities who may place orders to create or redeem Baskets. SecondMarket, Inc. (the “Authorized Participant” or “SMI”), a registered broker dealer and wholly owned subsidiary of SecondMarket Holdings, Inc., serves as the BIT’s Authorized Participant and is party to a participant agreement with the Sponsor and the Trust. The participant agreement provides the procedures for the creation and redemption of Baskets and for the delivery of bitcoins required for creation or redemption.

The custodian of the Trust is SecondMarket Holdings, Inc. (the “Custodian” or “SecondMarket”). The Custodian is responsible for safeguarding the bitcoin held by the Trust. SecondMarket was also the administrator of the Trust through December 2, 2014. The responsibilities of the administrator included facilitating the creations and redemptions of Baskets as well as other responsibilities. As of December 2, 2014, the role of the administrator of the BIT was terminated. The Sponsor assumed all responsibilities previously performed by the administrator.

The transfer agent for the Trust is Continental Stock Transfer Corporation. The responsibilities of the transfer agent are to maintain creations, redemptions, and transfers of the Trust’s shares in book form.

On March 25, 2015 the Trust received notice that its shares have been qualified for public trading on the OTCQX U.S. Premier Marketplace of the OTC Markets Group Inc. (“OTCQX”). The Trust’s trading symbol on OTCQX is “GBTC” and the CUSIP number for its shares is 09173T108.

Bitcoin Investment Trust
Notes to Financial Statements (continued)
(Unaudited)

2. Summary of Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Trust:

The financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”). The BIT qualifies as an investment company for accounting purposes pursuant to the accounting and reporting guidance under Financial Accounting Standards Board Accounting Standards Codification Topic 946. The BIT is not registered under the Investment Company Act of 1940. U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

The BIT conducts its transactions in bitcoin, including receiving bitcoin for the creation of shares, payment of bitcoin for the redemption of shares, as well as paying its management fees. Since its inception, the Trust has not held cash or cash equivalents.

These financial statements should be read in conjunction with the financial statements and notes thereto included in the Trust’s financial statements for the year ended December 31, 2014.

Investment Transactions and Revenue Recognition

The Trust considers its investment transactions to be the receipt of bitcoin for share creations and the payment of bitcoin for share redemptions or payment of expenses in bitcoin. The Trust records its investment transactions on a trade date basis and changes in fair value are reflected as net change in unrealized gains or losses on investments. Realized gains and losses are calculated using an average cost method. Realized gains and losses are recognized in connection with transactions including settling obligations in bitcoin and share redemptions.

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the ‘exit price’) in an orderly transaction between market participants at the measurement date.

U.S. GAAP utilizes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Trust. Unobservable inputs reflect the Trust’s assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Bitcoin Investment Trust
Notes to Financial Statements (continued)
(Unaudited)

2. Summary of Significant Accounting Policies (continued)

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Trust has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, these valuations do not entail a significant degree of judgment.
- Level 2 – Valuations based on quoted prices in markets that are not active or for which significant inputs are observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary by investment. To the extent that valuations are based on sources that are less observable or unobservable in the market, the determination of fair value requires more judgment. Fair value estimates do not necessarily represent the amounts that may be ultimately realized by the Trust.

3. Fair Value of Bitcoin

Bitcoin is held by the Custodian on behalf of the Trust and is carried at fair value. As of March 31, 2015, and December 31, 2014 the Trust held 134,842.00513948 and 134,777.42574934 bitcoin respectively. The Trust determined the fair value per bitcoin to be \$242.92 on March 31, 2015, and \$317.53 on December 31, 2014, using the price provided at 4:00 PM in New York by the bitcoin exchange considered to be the Trust's primary market for bitcoin.

	<u>March 31, 2015</u>			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of March 31, 2015
Assets				
Investments in bitcoin	\$ -	\$32,755,820	\$ -	\$32,755,820

	<u>December 31, 2014</u>			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2014
Assets				
Investments in bitcoin	\$ -	\$42,795,876	\$ -	\$42,795,876

Bitcoin Investment Trust
Notes to Financial Statements (continued)
(Unaudited)

4. Creations and Redemptions of Shares

At March 31, 2015 and December 31, 2014, there was an unlimited number of Shares authorized by the Trust. The Trust creates and redeems Shares from time to time, but only in one or more Baskets. The creation and redemption of Baskets on behalf of investors are made by the Authorized Participant in exchange for the delivery of bitcoin to the Trust or the distribution of bitcoin by the Trust. The number of bitcoins required for each creation basket or redemption basket is determined by dividing the number of bitcoins owned by the Trust at such time by the number of Shares outstanding at such time and multiplying the quotient obtained by 100.

The cost basis of investments in bitcoin recorded by the Trust is the fair value of bitcoin, as determined by the Trust, at 4:00 PM New York time on the date of transfer to the Trust by the Authorized Participant. The cost basis recorded by the Trust may differ from proceeds collected by the Authorized Participant from the sale of each Share to investors. The Authorized Participant may realize significant profits buying, selling, creating and redeeming Shares as a result of changes in the value of Shares or bitcoins.

Effective October 28, 2014 the BIT suspended its redemption program, in which Shareholders were permitted to request the redemption of their Shares through the Authorized Participant.

During the three months ended March 31, 2015, 7,500 Trust shares were created and no shares were redeemed. For the three months ended March 31, 2014, 270,000 Trust shares were created and no shares were redeemed. Realized gains or losses on investments in bitcoin related to these redemptions are recorded using the average cost method.

5. Income Taxes

The Trust is treated as a grantor trust and the shareholders will be treated as owning proportionate interests in the Trust for U.S. Federal income tax purposes. The Trust, therefore, will not be subject to U.S. Federal income tax. Instead, each shareholder will be deemed to acquire and hold a proportionate interest in the Trust's assets and will be required to report its proportionate share of the Trust's gains, income, losses and expenses on its U.S. Federal income tax returns in accordance with the shareholder's method of accounting. However, there can be no assurance that the IRS will agree with this conclusion and it is possible that the IRS could assert a position to the contrary to one or all of those conclusions and that a court could sustain that contrary conclusion. The Sponsor of the Trust has evaluated whether or not there are uncertain tax positions that require financial statement recognition and has determined that no reserves for uncertain tax positions are required as of March 31, 2015 or March 31, 2014.

Bitcoin Investment Trust
Notes to Financial Statements (continued)
(Unaudited)

6. Related Parties

The Trust considers the following entities and their directors to be related parties of the Trust: SecondMarket, SMI, and Grayscale. As of March 31, 2015 and December 31, 2014, 202,747 and 202,210 shares of the Trust were held by related parties of the Trust.

In accordance with the trust agreement of the BIT, the Trust pays a management fee to the Sponsor, calculated as 2% of the aggregate value, expressed in U.S. Dollars, of the Trust's assets, less its liabilities (which include accrued but unpaid expenses), as calculated and published by the Sponsor or its delegates (the "Combined Fee"). The Combined Fee accrues daily, and is payable to the Sponsor in bitcoin monthly in arrears. As consideration for its receipt of the Combined Fee, the Sponsor is obligated under the trust agreement of the BIT to assume and pay the following fees and expenses of the Trust: marketing fees, custodian fees, administrator fees and sponsor fees (the "Constituent Fees"), the shareholder communications hub fee, transfer agent fee, trustee fee, expenses related to public trading on OTCQX in an amount up to \$600,000 annually (including legal and audit fees and expenses), any other legal and accounting fees, regulatory fees, printing and mailing costs, and applicable license fees (along with the Constituent Fees, the "Assumed Fees").

The Trust may pay expenses in addition to the Combined Fee and the Assumed Fees, such as, but not limited to, taxes and governmental charges, expenses and costs of any services performed by the Sponsor (or any other service provider) on behalf of the Trust to protect the Trust or the interests of Shareholders, indemnification expenses, fees and expenses related to public trading on OTCQX in excess of \$600,000 annually, and legal fees and expenses (collectively, "Extraordinary Fees"). For the three months ended March 31, 2015 and March 31, 2014, the Trust incurred management fees in bitcoin, with a value of \$167,549 and \$269,158 respectively. There were no accrued or unpaid management fees as of March 31, 2015, or as of December 31, 2014. As of March 31, 2015, no Extraordinary Fees have been incurred by the Trust since its inception.

7. Risk Factors

The Trust is subject to various risks including market risk, liquidity risk, and other risks related to its concentration in a single asset, bitcoin. Investing in bitcoin is currently unregulated, highly speculative, and volatile.

The net asset value of the Trust relates directly to the value of the bitcoin held by the Trust, and fluctuations in the price of bitcoin could materially and adversely affect an investment in the shares of the Trust. The price of bitcoin has a limited history. During such history, bitcoin prices have been volatile and subject to influence by many factors including the levels of liquidity. If bitcoin markets continue to experience significant price fluctuations, the Trust may experience losses. Several factors may affect the

Bitcoin Investment Trust
Notes to Financial Statements (continued)
(Unaudited)

7. Risk Factors (continued)

price of bitcoin, including, but not limited to, global bitcoin supply and demand, and competition from other forms of digital currency or payments services.

The bitcoin held by the Trust are commingled and the Trust's shareholders have no specific rights to any specific bitcoin. In the event of the insolvency of the Trust, its assets may be inadequate to satisfy a claim by its shareholders.

There is currently no clearing house for bitcoin, nor is there a central or major depository for the custody of bitcoin. There is a risk that some or all of the Trust's bitcoins could be lost or stolen. The Trust does not have insurance protection on its bitcoin which exposes the Trust and its shareholders to the risk of loss of the Trust's bitcoin. Further, bitcoin transactions are irrevocable and stolen or incorrectly transferred bitcoin may be irretrievable. As a result, any incorrectly executed bitcoin transactions could adversely affect an investment in the Trust.

To the extent private keys for bitcoin addresses are lost, destroyed or otherwise compromised and no backup of the private keys are accessible, the Trust may be unable to access the bitcoin held in the associated address and the private key will not be capable of being restored by the bitcoin network. The processes by which bitcoin transactions are settled are dependent on the bitcoin peer-to-peer network, and as such, the Trust is subject to operational risk. A risk also exists with respect to previously unknown technical vulnerabilities, which may adversely affect the value of bitcoin.

As of the close of business on May 13, 2015 the fair value of bitcoin determined in accordance with the Company's accounting policy was \$243.44 per bitcoin.

Bitcoin Investment Trust
Notes to Financial Statements (continued)
(Unaudited)

8. Financial Highlights

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
Per Share Data:		
Net asset value, beginning of period	\$30.96	\$72.81
Net decrease in net assets from investment operations		
Net investment loss	(0.12)	(0.32)
Net realized and unrealized losses	(7.27)	(27.56)
Net decrease in net assets resulting from operations	(7.39)	(27.88)
Net asset value, end of period	\$23.57	\$44.93
Total return	-23.87%	-38.29%
Ratios to Average Net Assets:		
Net investment loss	-2.09%	-2.19%
Expenses	-2.09%	-2.19%

Ratios of net investment loss and expenses to average net assets have been annualized.

An individual shareholder's return, ratios, and per share performance may vary from those presented above based on the timing of share transactions. Total return presented in the table above has not been annualized.

Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period and redemption on the last day of the period.

Bitcoin Investment Trust
Notes to Financial Statements (continued)
(Unaudited)

9. Indemnifications

In the normal course of business, the Trust enters into certain contracts that provide a variety of indemnities, including contracts with the Sponsor and affiliates of the Sponsor, the Custodian and each of the Custodian's officers, directors, employees, subsidiaries and affiliates, as well as others relating to services provided to the Trust.

The Trust's maximum exposure under these and its other indemnities is unknown. However, no liabilities have arisen under these indemnities in the past and, while there can be no assurances in this regard, there is no expectation that any will occur in the future. Therefore, the Sponsor does not consider it necessary to record a liability in this regard.

10. Subsequent Events

The Sponsor has performed an evaluation of the Trust's subsequent events through May 14, 2015, which is the date the financial statements were available to be issued. There are no known events that have occurred that require disclosure other than that which has already been disclosed in these notes to the financial statements.