Virtus Growth & Income Fund

FUND INFORMATION

Symbol and CUSIP

A shares	PDIAX	(92828N874)
B shares	PBGIX	(92828N866)
C shares	PGICX	(92828N858)
I shares	PXIIX	(92828N841)

Investment Adviser
Virtus Investment Advisers, Inc.

Investment Subadviser
Euclid Advisors LLC

AUM ($ millions)	104.5
Number of Holdings	51
Dividends	Semi-Annually

INVESTMENT PROFESSIONALS

Carlton Neel
Industry start date: 1990
Start date with Fund: 2009

David Dickerson
Industry start date: 1993
Start date with Fund: 2009

INVESTMENT OPPORTUNITY

A core portfolio, this fund focuses on large-cap U.S., stocks employing a Growth at a Reasonable Price philosophy in the security selection process.

The stock selection process begins with a top-down approach and econometric sector analysis.

Industry level and fundamental security analysis is then utilized to identify securities that the portfolio managers believe offer superior return opportunity.

INVESTMENT PROCESS

STEP 1
Screen Investment Universe
- Eliminate lower quality and illiquid securities

STEP 2
Fundamental Analysis and Research
- Fundamental top-down econometric evaluation
- Analyze sectors to determine best opportunities
- Analyze industries to identify best investment opportunities
- Bottom-up analysis on most promising securities

STEP 3
Portfolio Construction
- Create diversified portfolio across sectors
- Create concentrated, high conviction portfolio

ANNUALIZED PERFORMANCE Class A as of 12/30/2011 in percent

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception 09/25/1997
NAV	11.67	-2.05	-2.05	10.98	-1.19	2.22	3.92
POP	5.25	-7.68	-7.68	8.81	-2.36	1.61	3.49
Index	11.82	2.11	2.11	14.11	-0.25	2.92	3.86

QTD, YTD and 1 Year performance is not annualized.

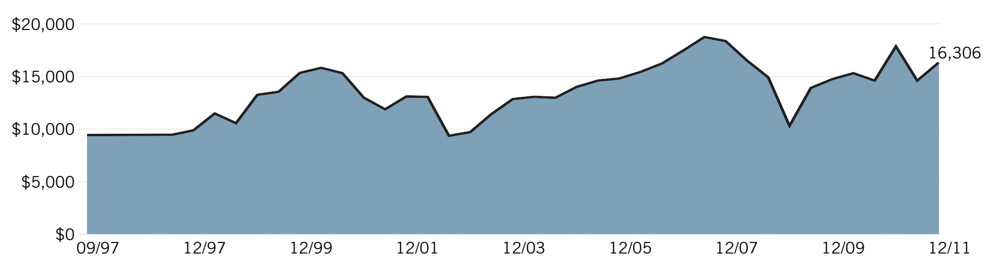
Class A operating expenses are 1.25% and gross operating expenses are 1.53%.
Operating expenses reflect a voluntary expense reimbursement, which may be discontinued at any time.
Average annual total returns reflect the change in share price and the reinvestment of all dividends and capital gains. Net Asset Value (NAV) returns do not reflect the deduction of any sales charges. POP (Public Offering Price) performance reflects the deduction of the maximum sales charge of 5.75%. A contingent deferred sales charge of 1% may apply on certain redemptions made within 18 months following purchases on which a finder's fee has been paid.

ANNUAL PERFORMANCE Class A at NAV in percent

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Fund	-22.95	27.30	10.33	4.46	16.97	6.07	-35.05	23.57	12.94	-2.05
Index	-22.10	28.71	10.86	4.93	15.78	5.49	-37.00	26.46	15.06	2.11

Growth of $10,000 Class A for the period ending 12/30/2011

Actual initial investment $9,425



This chart assumes an initial investment of $10,000 made on Sep 25, 1997 for Class A shares including any applicable sales charges. Performance assumes reinvestment of dividends and capital gain distributions.

Performance data quoted represents past results. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate so your shares, when redeemed, may be worth more or less than their original cost. Please visit Virtus.com for performance data current to the most recent month-end.

Index: The S&P 500® Index is a free-float market capitalization-weighted index of 500 of the largest U.S. companies. The index is calculated on a total return basis with dividends reinvested. The index is unmanaged and not available for direct investment.

Virtus Growth & Income Fund

Data presented as of 12/30/2011

Top Ten Holdings

Top Ten Holdings	% Fund
Apple Inc.	3.91
Amazon.com Inc.	2.60
Verizon Communications Inc.	2.46
Union Pacific Corp.	2.43
Williams Companies Inc	2.43
QUALCOMM Inc.	2.30
Chevron Corp.	2.24
PepsiCo Inc.	2.22
Biogen Idec Inc.	2.21
McDonald's Corp.	2.21

Sector Allocations as of 12/31/2011

Sector Allocations as of 12/31/2011	% Equity
Energy	17.46
Industrials	14.41
Information Technology	14.40
Materials	13.08
Consumer Discretionary	12.83
Financials	10.81
Health Care	10.10
Consumer Staples	4.44
Telecommunication Services	2.49

Holdings and Sector weightings are subject to change.

Characteristics

Characteristics	Fund
Average Weighted market Cap (bn)	$64.7
Median Market Cap (bn)	$35.4
Trailing P/E	15.59x
Price-to-Cash Flow	11.91
Price-to-Book Value	2.74
3-Year EPS Growth Rate	8.33

Risk Statistics

Class A 3-Year	Fund	Index
R^2	0.94	1.00
Beta	1.11	1.00
Standard Deviation	21.47	18.70

GLOSSARY

R^2: A measurement of how closely a portfolio's performance correlates with the performance of a benchmark index.
Beta: A quantitative measure of the volatility of a given portfolio to the overall market. Higher beta suggests higher volatility.
Standard Deviation: measures variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk.
Trailing P/E: Per-share stock price divided by the latest12-months Earnings per Share.
Price/Cash Flow: Per-share stock price divided by the per-share operating cash flow.
Price/Book: Per-share stock price divided by the latest 12-month per-share Book Value.
3-Year EPS Growth Rate: Average of earnings per share growth for latest 3-year period. The 3-Year EPS Growth Rate is not a forecast of the portfolio's performance.

IMPORTANT RISK CONSIDERATIONS:
Investing in the securities of small and mid-sized companies involves greater risks and price volatility than larger, more established companies.

Investment Manager of the Fund

Euclid Advisors utilizes a multi-strategy process to capitalize on market opportunities. Econometric analysis provides the framework for security selection that is influenced by macro forces, quantitative factors, and bottom-up fundamental research.

About Virtus Investment Partners Virtus (NASDAQ: VRTS) is a distinctive partnership of boutique investment managers singularly committed to the long-term success of individual and institutional investors.

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