

## FUND INFORMATION

### Symbol and CUSIP

|          |       |             |
|----------|-------|-------------|
| A shares | PPTAX | (92828N460) |
| C shares | PPTCX | (92828N452) |
| I shares | PIPTX | (92828N445) |

### Investment Adviser

Virtus Investment Advisers, Inc.

### Investment Subadviser

Kayne Anderson Rudnick Investment Management

**AUM (\$ millions)** 42.6

**Number of Holdings** 32

**Dividends** Semi-Annually

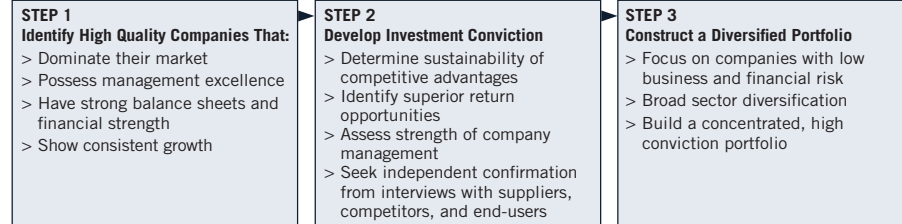
## INVESTMENT PROFESSIONALS

Richard Sherry, CFA

Industry start date: 1995

Start date with Fund: 2009

## INVESTMENT PROCESS



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

|       | QTD   | YTD   | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception<br>07/29/2005 |
|-------|-------|-------|--------|--------|--------|---------|-------------------------------|
| NAV   | 11.88 | 0.43  | 0.43   | 12.12  | -2.45  | n/a     | 1.44                          |
| POP   | 5.45  | -5.34 | -5.34  | 9.93   | -3.60  | n/a     | 0.51                          |
| Index | 13.11 | 0.39  | 0.39   | 11.55  | -2.64  | n/a     | 1.40                          |

QTD, YTD and 1 Year performance is not annualized.

Class A operating expenses are 1.35% and gross operating expenses are 1.58%.

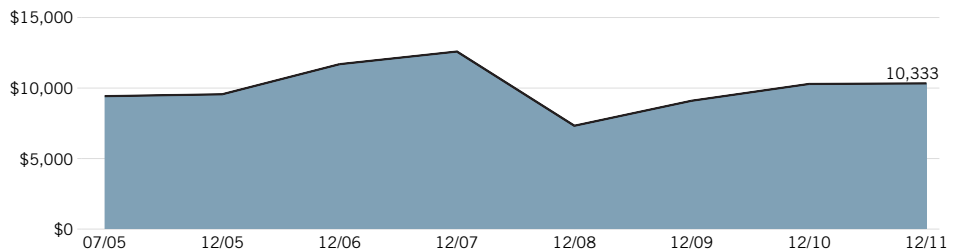
Operating expenses reflect a voluntary expense reimbursement, which may be discontinued at any time.

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  | n/a  | n/a  | n/a  | n/a  | 22.42 | 7.68  | -41.79 | 24.10 | 13.08 | 0.43 |
| Index | n/a  | n/a  | n/a  | n/a  | 22.25 | -0.17 | -36.85 | 19.69 | 15.51 | 0.39 |

## 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 Jul 29, 2005 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](http://Virtus.com) for performance data current to the most recent month-end.

Index: The Russell 1000® Value Index is a market capitalization-weighted index of value-oriented stocks of the 1,000 largest companies in the Russell Universe, which comprises the 3,000 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.

## INVESTMENT OPPORTUNITY

This fund pursues long-term capital appreciation in the large-cap sector.

The fund invests in a select group of large-cap value companies believed to be undervalued relative to their future growth potential.

The investment strategy emphasizes companies with a competitive advantage, strong management and low financial risk that are able to grow over market cycles, despite their discounted valuations.

| Top Ten Holdings                  | % Fund |
|-----------------------------------|--------|
| AGL Resources Inc.                | 4.52   |
| Microsoft Corp.                   | 4.39   |
| Travelers Cos. Inc.               | 4.30   |
| TJX Cos.                          | 4.25   |
| PNC Financial Services Group Inc. | 4.25   |
| National Oilwell Varco Inc.       | 3.86   |
| Becton Dickinson & Co.            | 3.78   |
| Kimberly-Clark Corp.              | 3.71   |
| Exxon Mobil Corp.                 | 3.66   |
| Johnson & Johnson                 | 3.52   |

| Sector Allocations     | % Equity |
|------------------------|----------|
| Consumer Discretionary | 22.12    |
| Financial Services     | 19.11    |
| Health Care            | 9.88     |
| Consumer Staples       | 8.90     |
| Producer Durables      | 7.21     |
| Technology             | 6.47     |
| Other Energy           | 5.75     |
| Materials & Processing | 5.41     |
| Utilities              | 4.55     |
| Integrated Oils        | 3.69     |
| Other                  | 3.54     |
| Autos & Transportation | 3.38     |

| Characteristics                  | Fund   |
|----------------------------------|--------|
| Average Weighted market Cap (bn) | \$64.4 |
| Median Market Cap (bn)           | \$29.7 |
| Trailing P/E                     | 13.19x |
| Price-to-Cash Flow               | 10.30  |
| Price-to-Book Value              | 2.96   |
| 3-Year EPS Growth Rate           | 4.66   |

| Risk Statistics    | Fund  | Index |
|--------------------|-------|-------|
| Class A 3-Year     |       |       |
| R <sup>2</sup>     | 0.94  | 1.00  |
| Beta               | 0.87  | 1.00  |
| Standard Deviation | 18.61 | 20.69 |

**IMPORTANT RISK CONSIDERATIONS:**  
A portfolio that holds a limited number of securities will be impacted by each security's performance more than a portfolio with a larger number of holdings.

#### GLOSSARY

**R<sup>2</sup>:** 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 latest 12-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.

*Holdings and Sector weightings are subject to change.*

#### Investment Manager of the Fund

Kayne Anderson Rudnick believes that superior risk-adjusted returns can be achieved through investment in high-quality companies with global dominance, excellent management, financial strength, and consistent growth purchased at reasonable prices.

**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.

*Please carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. For this and other information about any Virtus mutual fund, call 1-800-243-4361 or visit Virtus.com for a prospectus. Read it carefully before you invest or send money.*

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