

Virtus KAR Small-Cap Growth Series



Small Growth

Overall Morningstar Rating™ Based on risk adjusted returns as of 09/29/2017. Rating out of 597 Funds.

CUSIP A shares 92829L604
I shares 92829L836

INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISER

Kayne Anderson Rudnick Investment Management, LLC

AUM (\$ MILLIONS) 77.3

NUMBER OF HOLDINGS 25

DIVIDENDS Semi-Annually

INVESTMENT MANAGER OF THE SERIES

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.

INVESTMENT PROFESSIONALS

Jon Christensen, CFA

Industry start date: 1995

Start date with Series: 2010

Todd Bailey, CFA

Industry start date: 1999

Start date with Series: 2010

Effective April 28, 2017 this Series changed its name from the Virtus Small-Cap Growth Series.

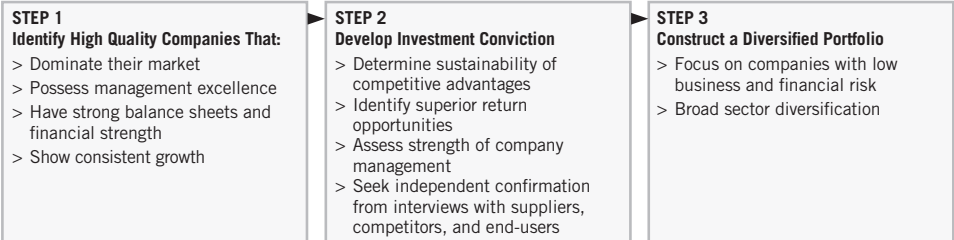
INVESTMENT OPPORTUNITY

This portfolio pursues long-term capital appreciation in the small-cap sector while seeking to provide the risk characteristics of the less volatile large-cap S&P 500 Index.

The portfolio invests in a select group of small-cap growth 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.

INVESTMENT PROCESS



AVERAGE ANNUAL TOTAL RETURNS Class A as of 09/29/2017 in percent

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception 08/12/2002
NAV	11.08	30.96	37.55	23.64	20.49	9.36	12.82
Index	6.22	16.81	20.98	12.17	14.28	8.47	11.20

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.

The fund class gross expense ratio is 1.36%. The net expense ratio is 1.19%, which reflects a contractual expense reimbursement in effect through 4/30/2018.

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.

ANNUAL PERFORMANCE Class A in percent

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Series	16.10	-44.92	22.39	13.53	16.59	11.81	40.20	5.50	0.73	25.92
Index	7.05	-38.54	34.47	29.09	-2.91	14.59	43.30	5.60	-1.38	11.32

Index: *The Russell 2000® Growth Index is a market capitalization-weighted index of growth-oriented stocks of the smallest 2,000 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, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.*

TOP TEN HOLDINGS	% Series
Fox Factory Holding Corp.	8.16
Autohome, Inc. Sponsored ADR Class A	8.06
Ollie's Bargain Outlet Holdings Inc	7.50
HEICO Corporation Class A	5.68
Interactive Brokers Group, Inc. Class A	5.21
National Research Corporation Class A	5.01
NVE Corporation	4.94
Old Dominion Freight Line, Inc.	4.56
Aspen Technology, Inc.	3.98
Copart, Inc.	3.94

RISK STATISTICS

CLASS A 3-YEAR	Series	Index
R ²	0.68	1.00
Beta	0.76	1.00
Standard Deviation	13.70	14.90

CHARACTERISTICS

	Series
Average Weighted Market Cap (bn)	\$4.18
Median Market Cap (bn)	\$2.84
Trailing P/E	28.80x
Price-to-Cash Flow	29.72
Price-to-Book Value	5.17
3-Year EPS Growth Rate	8.63

Holdings and Sector weightings are subject to change.

Morningstar For the 3-, 5- and 10-year periods, respectively, the Fund was rated 5, 5 and 5 stars among 597, 532 and 399 funds in the Small Growth category for the time period ending 09/29/2017.

Morningstar Rating™ for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

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The investments for the Series are managed by the same portfolio manager(s) who manage one or more other funds that have similar names, investment objectives and investment styles as the Series. You should be aware that the Series is likely to differ from the other mutual funds in size, cash flow pattern and tax matters. Accordingly, the holdings and performance of the Series can be expected to vary from those of the other mutual funds.

Shares of the separate Series of Virtus Variable Insurance Trust are sold only through the currently effective prospectuses and are not available to the general public. Shares of the VIT Series may be purchased only by life insurance companies to be used with their separate accounts which fund variable annuity and variable life insurance policies or qualified retirement plans and are also available as an underlying investment fund for certain qualified retirement plans. The performance information for the Series does not reflect fees and expenses of the insurance companies. If such fees and expenses were deducted, performance would be lower.

Please carefully consider the investment objectives, risks, charges, and expenses of the Series before investing. For this and other information about any Virtus Variable Insurance Trust Series, call 1-800-367-5877 or visit Virtus.com for a prospectus and/or summary prospectus. Read it carefully before you invest or send money.

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SECTOR ALLOCATIONS	% Equity
Consumer Discretionary	26.27
Technology	23.67
Producer Durables	16.04
Financial Services	15.61
Health Care	8.57
Materials & Processing	6.10
Consumer Staples	3.75

GLOSSARY

R²: 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.

IMPORTANT RISK CONSIDERATIONS:

Equity Securities: The market price of equity securities may be adversely affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small or medium-sized companies may enhance that risk. **Limited Number of Investments:** Because the fund has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a less concentrated fund. **Industry/Sector Concentration:** A fund that focuses its investments in a particular industry or sector will be more sensitive to conditions that affect that industry or sector than a non-concentrated fund. **Prospectus:** For additional information on risks, please see the fund's prospectus.