

Virtus KAR Small-Cap Value Series

CUSIP A shares 92829L802

INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISER

Kayne Anderson Rudnick Investment Management, LLC

AUM (\$ MILLIONS) 94.0

NUMBER OF HOLDINGS 30

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

Julie Kutasov

Industry start date: 2001

Start date with Series: 2010

Craig Stone

Industry start date: 1989

Start date with Series: 2010

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

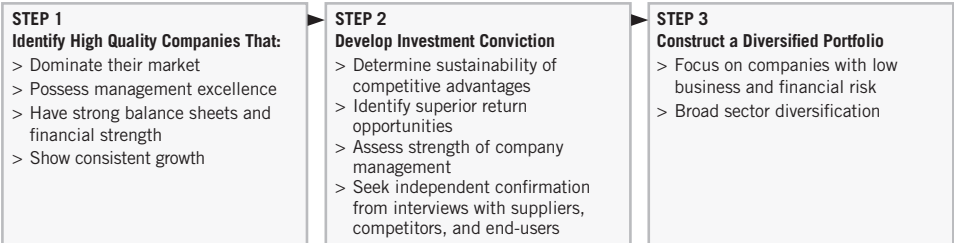
INVESTMENT OPPORTUNITY

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 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.

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 11/20/2000
NAV	7.08	14.51	28.70	16.71	16.31	6.66	9.99
Index	5.11	5.68	20.55	12.12	13.27	7.14	9.94

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 1.39%. The net expense ratio is 1.20%, 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	-2.10	-37.91	20.90	17.40	4.54	8.13	40.77	1.83	-1.37	26.54
Index	-9.78	-28.92	20.58	24.50	-5.50	18.05	34.52	4.22	-7.47	31.74

Index: *The Russell 2000® Value Index is a market capitalization-weighted index of value-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
National Beverage Corp.	5.10
RE/MAX Holdings, Inc.	4.81
Thor Industries, Inc.	4.54
SiteOne Landscape Supply, Inc.	4.43
RBC Bearings Incorporated	4.34
Scotts Miracle-Gro Company Class A	4.19
Anika Therapeutics, Inc.	4.03
Bank of Hawaii Corporation	4.00
MGM Growth Properties LLC Class A	3.91
Cheesecake Factory Incorporated	3.86

RISK STATISTICS

CLASS A 3-YEAR	Series	Index
R ²	0.83	1.00
Beta	0.82	1.00
Standard Deviation	12.94	14.37

CHARACTERISTICS

	Series
Average Weighted Market Cap (bn)	\$3.58
Median Market Cap (bn)	\$3
Trailing P/E	25.47x
Price-to-Cash Flow	21.35
Price-to-Book Value	4.41
3-Year EPS Growth Rate	6.15

SECTOR ALLOCATIONS	% Equity
Financial Services	33.54
Consumer Discretionary	19.05
Producer Durables	12.55
Materials & Processing	11.85
Consumer Staples	7.27
Health Care	6.60
Technology	5.74
Energy	3.40

GLOSSARY

R: 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.

Holdings and Sector weightings are subject to change.

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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