

CUSIP A shares 92829L406

INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISER

Kayne Anderson Rudnick Investment Management, LLC

Duff & Phelps Investment Management Co.

Newfleet Asset Management, LLC

AUM (\$ MILLIONS) 96.8

NUMBER OF HOLDINGS 437

DIVIDENDS Semi-Annually

INVESTMENT MANAGER OF THE SERIES

Kayne Anderson Rudnick (domestic equity) invests in a select group of large-cap growth companies believed to be undervalued relative to their future growth potential. Duff & Phelps (international equity) manages a high-conviction core portfolio where stock selection is informed by a forward looking analysis of cash flow return on invested capital. Newfleet Asset Management leverages the knowledge and skill of a team of investment professionals with expertise in every sector of the bond market, including evolving, specialized, and out-of-favor sectors.

INVESTMENT PROFESSIONALS

Douglas S. Foreman, CFA
 Industry start date: 1989
 Start date with Series: 2016

Frederick A. Brimberg
 Industry start date: 1979
 Start date with Series: 2016

David L. Albrycht, CFA
 Industry start date: 1985
 Start date with Series: 2007

Stephen H. Hooker, CFA
 Industry start date: 1993
 Start date with Series: 2017

Effective September 7, 2016, Kayne Anderson Rudnick Investment Management became the subadviser to the domestic equity portion of the Series. Performance and characteristics of the domestic equity portion prior to this date were attained by the previous manager. Concurrently, Duff & Phelps Investment Management Co. was added as subadviser to the Series.

INVESTMENT OPPORTUNITY

Invested in approximately 45% U.S. equity, 15% non-U.S. equity, and 40% fixed income, this portfolio may be suitable for investors who want income and growth from one fund.

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

The non-U.S. equity allocation employs bottom-up fundamental analysis along with top-down macro views to identify the best investment opportunities.

The fixed income manager employs a time tested approach of active sector rotation, extensive credit research, and disciplined risk management designed to capitalize on opportunities across undervalued areas of the fixed income markets.

INVESTMENT PROCESS

U.S. Equity Portfolio Construction	Non-U.S. Equity Portfolio Construction	Fixed Income Portfolio Construction
STEP 1 – Identify high-quality companies with market dominance, management excellence, financial strength, and consistent growth	STEP 1 – Conduct fundamental, bottom-up research on individual companies	STEP 1 – Sector Analysis and Allocations – Top-down, relative value approach that looks at yield and spreads; supply and demand; investment environment; and sector fundamentals
STEP 2 – Develop investment conviction	STEP 2 – Evaluate macroeconomic environment factors	STEP 2 – Issue Selection – Bottom-up, fundamental analysis with a focus on valuations
STEP 3 – Invest in companies with low business and financial risk	STEP 3 – Apply Cash Flow Return on Capital approach to security valuation	STEP 3 – Portfolio Construction – Overweight undervalued securities and sectors – Duration neutral strategy

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 09/17/1984
NAV	4.55	15.49	11.82	4.22	6.94	5.40	8.90
Index	3.79	13.31	12.37	8.12	9.62	6.61	9.89

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.

Benchmark life performance is reported from 09/28/1984

The fund class gross expense ratio is 1.06%. The net expense ratio is 0.99%, which reflects a contractual expense reimbursement in effect through 4/30/2018. This ratio reflects the direct and indirect expenses paid by the Fund.

The net expense ratio minus the indirect expenses incurred by the underlying funds in which the Fund invests is 0.98%.

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	5.98	-25.45	24.51	13.20	1.91	13.42	17.99	7.51	-5.38	0.82
Index	6.22	-22.06	18.40	12.13	4.69	11.31	17.56	10.62	1.28	6.23

Index: *The Strategic Allocation Series Linked Benchmark consists of 45% Russell 1000® Growth Index (a market capitalization-weighted index of growth-oriented stocks of the 1,000 largest companies in the Russell Universe, which comprises the 3,000 largest U.S. companies, calculated on a total return basis with dividends reinvested), 15% MSCI EAFE® Index (a free float-adjusted market capitalization-weighted index that measures developed foreign market equity performance, excluding the U.S. and Canada, calculated on a total return basis with net dividends reinvested) and 40% Bloomberg Barclays U.S. Aggregate Bond Index (an index that measures the U.S. investment grade fixed rate bond market, calculated on a total return basis). The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment. Performance of the Strategic Allocation Series Linked Benchmark prior to 9/7/2016 represents an allocation consisting of 60% S&P 500® Index and 40% Bloomberg Barclays U.S. Aggregate Bond Index.*

TOP TEN HOLDINGS	% Series
Facebook, Inc. Class A	4.55
Alibaba Group Holding Ltd. Sponsored ADR	3.00
U.S. Treasury Bond, 2.5% 02/15/2046	2.13
Amazon.com, Inc.	1.92
Visa Inc. Class A	1.83
Celgene Corporation	1.69
Monster Beverage Corporation	1.68
NVIDIA Corporation	1.51
Priceline Group Inc	1.50
Amphenol Corporation Class A	1.45

RISK STATISTICS		
CLASS A 3-YEAR	Series	Index
R ²	0.89	1.00
Beta	1.07	1.00
Standard Deviation	6.87	6.06

CHARACTERISTICS	Series
Average Weighted Market Cap (bn)	\$138.56
Median Market Cap (bn)	\$33.98
Trailing P/E	25.76x
Price-to-Cash Flow	25.39
Price-to-Book Value	5.42
3-Year EPS Growth Rate	20.06

SECTOR ALLOCATIONS	% Equity
Information Technology	34.99
Consumer Discretionary	20.48
Health Care	10.08
Financials	9.93
Industrials	7.59
Consumer Staples	6.61
Energy	4.11
Materials	4.01
Real Estate	0.90
Utilities	0.71
Telecommunication Services	0.60

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. **Credit & Interest:** Debt securities are subject to various risks, the most prominent of which are credit and interest rate risk. The issuer of a debt security may fail to make interest and/or principal payments. Values of debt securities may rise or fall in response to changes in interest rates, and this risk may be enhanced with longer-term maturities. **Foreign & Emerging Markets:** Investing internationally, especially in emerging markets, involves additional risks such as currency, political, accounting, economic, and market risk. **Allocation:** The fund's exposure to different asset classes may not be optimal for market conditions at a given time. Asset allocation does not guarantee a profit or protect against a loss in declining markets. **High Yield-High Risk Fixed Income Securities:** There is a greater level of credit risk and price volatility involved with high yield securities than investment grade securities. **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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