

Release Date: 12-31-2018

Putnam VT Equity Income Fund — IB Shares

Investment Strategy from investment's prospectus

The investment seeks capital growth and current income. The fund invests mainly in common stocks of midsize and large U.S. companies, with a focus on value stocks that offer the potential for capital growth, current income, or both. Value stocks are issued by companies that the advisor believes are currently undervalued by the market. It may consider, among other factors, a company's valuation, financial strength, and growth potential, competitive position in its industry, projected future earnings, cash flows and dividends when deciding whether to buy or sell investments.

Category Description: Large Value

Large-value funds invest primarily in big U.S. companies that are less expensive or growing more slowly than other large-cap stocks. These funds often feature investments in energy, financial or manufacturing sectors.

Operations

Fund Inception Date	05-01-03
Initial Share Class Inception Date	05-01-03
Advisor	Putnam Investment Management, LLC
Subadvisor	Putnam Investments Limited

Fees and Expenses as of 04-30-18

Gross Prospectus Expense Ratio	0.82%
Net Prospectus Expense Ratio	0.82%

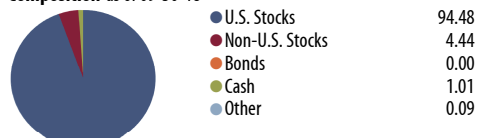
Waiver Data	Type	Exp.Date	%

Portfolio Manager(s)

Darren A. Jaroch, CFA. B.A., Hartwick College. Since 2012.
 Walter D. Scully, CPA. M.B.A., University of Chicago (Booth). B.S., Ohio State University. Since 2012.

Portfolio Analysis as of 09-30-18

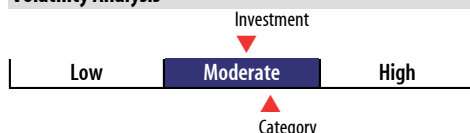
Composition as of 09-30-18



Top 20 Holdings as of 09-30-18

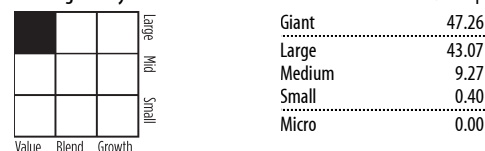
	% Assets
JPMorgan Chase & Co	4.04
Microsoft Corp	3.62
Bank of America Corporation	3.31
Citigroup Inc	3.04
Apple Inc	2.39
Northrop Grumman Corp	2.35
Walmart Inc	2.17
Johnson & Johnson	2.05
ConocoPhillips	1.91
Exxon Mobil Corp	1.89
Becton, Dickinson and Co	1.85
Marathon Oil Corp	1.59
DowDuPont Inc	1.53
Cigna Corp	1.52
Valero Energy Corp	1.47
Assured Guaranty Ltd	1.40
Raytheon Co	1.38
Merck & Co Inc	1.36
AT&T Inc	1.36
Amgen Inc	1.35
Total Number of Stock Holdings	92
Total Number of Bond Holdings	—
Annual Turnover Ratio %	12.00
Total Fund Assets (\$mil)	1,284.11

Volatility Analysis



In the past, this investment has shown a relatively moderate range of price fluctuations relative to other investments. This investment may experience larger or smaller price declines or price increases depending on market conditions. Some of this risk may be offset by owning other investments with different portfolio makeups or investment strategies.

Morningstar Style Box™ as of 09-30-18



Statistics as of 09-30-18

	Stk Port Avg	S&P 500	Category
P/E Ratio	14.51	14.35	14.32
P/B Ratio	2.01	2.73	2.19
P/C Ratio	11.84	11.79	8.99
GeoAvgCap(\$mil)	81,662.69	93,688.30	101,701.36

Risk Measures as of 12-31-18

	Port Avg	S&P 500	Category
3 Yr Std Dev	10.92	10.95	11.42
3 Yr Sharpe Ratio	0.60	0.76	0.55
3 Yr Alpha	-1.59	—	-1.81
3 Yr Beta	0.97	—	0.95
3 Yr R-squared	94.94	—	84.03

Morningstar Sectors as of 09-30-18

	%Fund	S&P 500 %
Cyclical	34.12	32.63
Basic Materials	3.34	2.56
Consumer Cyclical	5.84	11.82
Financial Services	23.00	15.83
Real Estate	1.94	2.42
Sensitive	39.88	40.71
Communication Services	5.21	3.58
Energy	13.43	5.32
Industrials	9.52	9.92
Technology	11.72	21.89
Defensive	26.00	26.65
Consumer Defensive	7.76	7.85
Healthcare	14.03	15.46
Utilities	4.21	3.34

Notes

This material is authorized for client use only when preceded or accompanied by a Disclosure Statement, a product prospectus, a fund prospectus and/or informational brochure containing more complete information. These can be obtained from your investment professional and should be read carefully before investing or sending money.

NOT A DEPOSIT — NOT FDIC INSURED — NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY — NOT GUARANTEED BY THE INSTITUTION — MAY GO DOWN IN VALUE