

Fidelity[®] Variable Insurance Products:

Mid Cap Portfolio

Annual Report
December 31, 2018



Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, and if your insurance carrier elects to participate, you may not be receiving paper copies of the Fund's shareholder reports from the insurance company that offers your variable insurance product unless you specifically request paper copies from your financial professional or the administrator of your variable insurance product. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund electronically, by contacting your financial professional or the administrator of your variable insurance product. If you own a Fidelity-administered variable insurance product, please visit [fidelity.com/mailpreferences](https://www.fidelity.com/mailpreferences) to make your election or call 1-800-343-3548.

You may elect to receive all future reports in paper free of charge. If you wish to continue receiving paper copies of your shareholder reports, you may contact your financial professional or the administrator of your variable insurance product. If you own a Fidelity-administered variable insurance product, please visit [fidelity.com/mailpreferences](https://www.fidelity.com/mailpreferences) to make your election or call 1-800-343-3548. Your election to receive reports in paper will apply to all funds available under your variable insurance product.

Contents

Performance	4
Management's Discussion of Fund Performance	5
Investment Summary	6
Schedule of Investments	7
Financial Statements	13
Notes to Financial Statements	20
Report of Independent Registered Public Accounting Firm	25
Trustees and Officers	26
Shareholder Expense Example	32
Distributions	33
Board Approval of Investment Advisory Contracts	34

To view a fund's proxy voting guidelines and proxy voting record for the 12-month period ended June 30, visit <http://www.fidelity.com/proxyvotingresults> or visit the Securities and Exchange Commission's (SEC) web site at <http://www.sec.gov>.

You may also call 1-877-208-0098 to request a free copy of the proxy voting guidelines.

Fidelity® Variable Insurance Products are separate account options which are purchased through a variable insurance contract.

Standard & Poor's, S&P and S&P 500 are registered service marks of The McGraw-Hill Companies, Inc. and have been licensed for use by Fidelity Distributors Corporation.

Other third-party marks appearing herein are the property of their respective owners.

All other marks appearing herein are registered or unregistered trademarks or service marks of FMR LLC or an affiliated company. © 2019 FMR LLC. All rights reserved.

This report and the financial statements contained herein are submitted for the general information of the shareholders of the Fund. This report is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus.

A fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. Forms N-Q are available on the SEC's web site at <http://www.sec.gov>. A fund's Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330.

For a complete list of a fund's portfolio holdings, view the most recent holdings listing, semiannual report, or annual report on Fidelity's web site at <http://www.fidelity.com>, <http://www.institutional.fidelity.com>, or <http://www.401k.com>, as applicable.

NOT FDIC INSURED •MAY LOSE VALUE •NO BANK GUARANTEE

Neither the Fund nor Fidelity Distributors Corporation is a bank.

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

Average Annual Total Returns

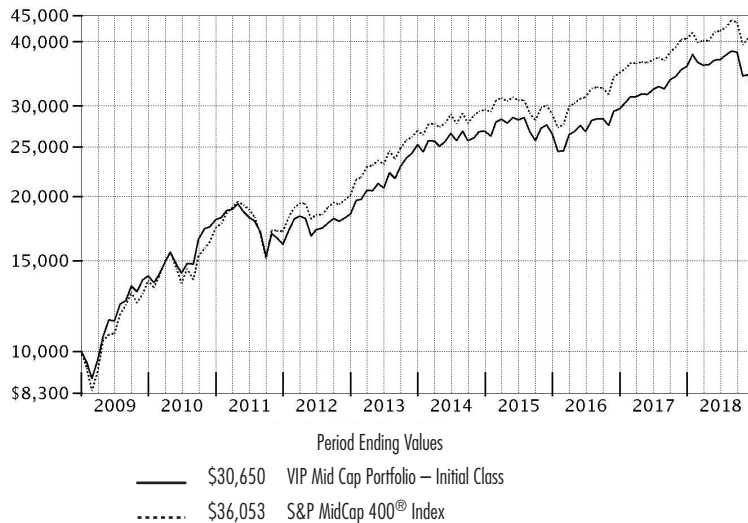
For the periods ended December 31, 2018

	Past 1 year	Past 5 years	Past 10 years
Initial Class	-14.54%	3.96%	11.85%
Service Class	-14.64%	3.86%	11.74%
Service Class 2	-14.77%	3.70%	11.58%
Investor Class	-14.60%	3.88%	11.76%

\$10,000 Over 10 Years

Let's say hypothetically that \$10,000 was invested in VIP Mid Cap Portfolio – Initial Class on December 31, 2008.

The chart shows how the value of your investment would have changed, and also shows how the S&P MidCap 400® Index performed over the same period.



Management's Discussion of Fund Performance

Market Recap: A gain for the 10th consecutive year proved elusive for U.S. stocks in 2018, with resurgent volatility upsetting the aging bull market. The S&P 500[®] index returned -4.38% for the year after reversing course (-14%) in the fourth quarter. The retreat was in sharp contrast to the benchmark's steady climb from May into September, when it achieved a record close. As the fourth quarter began, rising U.S. Treasury yields and concern about peaking corporate earnings growth sent many investors fleeing from risk assets as they were still dealing with lingering uncertainty related to global trade and the U.S. Federal Reserve picking up the pace of interest rate hikes. The index returned -6.84% in October, at the time its largest monthly drop in seven years. But things got worse in December, as jitters about the economy and another hike in rates led to a spike in volatility and a -9% result for the month. For the full period, some economically sensitive sectors were at the bottom of the 12-month performance scale: energy (-18%), materials (-15%) and industrials (-13%) fared worst, followed by financials (-13%) and consumer staples (-9%). Meanwhile, communication services, which includes dividend-rich telecom stocks, returned about -7%. In contrast, the defensive health care sector gained roughly 6%. Information technology and consumer discretionary were rattled in the late-year downturn, but earlier strength resulted in advances of 3% and 2%, respectively. Utilities (+4%) and real estate (-2%) also topped the broader market.

Comments from Portfolio Manager Thomas Allen: For the year, the fund's share classes returned roughly -15%, trailing the -11.08% result of the benchmark S&P MidCap 400[®] Index. Versus the benchmark, a sizable overweighting, coupled with unfavorable security selection, among energy stocks detracted most, as this was by far the weakest-performing sector in the benchmark. Picks in communication services and health care also worked against our relative result. At the individual stock level, our decision to avoid Abiomed detracted most on a relative basis, as shares of this benchmark component and maker of minimally invasive heart pumps surged roughly 107% from the beginning of the period until it was removed from the benchmark in May. The fund's out-of-benchmark stakes in Dublin-based Perrigo — a maker of generic drugs — and investment manager Affiliated Managers Group also detracted. Conversely, a cash position averaging roughly 1% was the biggest contributor to relative performance in an environment of faltering global equity markets. Stock selection in information technology and materials also modestly lifted our relative result. An out-of-benchmark position in independent power producer AES was the both the portfolio's leading contributor in 2018 and largest holding at year end. Lastly, holdings in restaurant operator Dine Brands Global further aided the fund's relative performance, as did medical-device manufacturer Boston Scientific. Both these stocks were outside the benchmark.

The views expressed above reflect those of the portfolio manager(s) only through the end of the period as stated on the cover of this report and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund.

Investment Summary (Unaudited)

Top Ten Stocks as of December 31, 2018

	% of fund's net assets
The AES Corp.	1.6
Electronic Arts, Inc.	1.5
Euronet Worldwide, Inc.	1.3
Activision Blizzard, Inc.	1.3
FleetCor Technologies, Inc.	1.2
Akamai Technologies, Inc.	1.2
The Mosaic Co.	1.1
The New York Times Co. Class A	1.1
Jazz Pharmaceuticals PLC	1.0
Huntington Bancshares, Inc.	1.0
	<u>12.3</u>

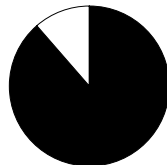
Top Five Market Sectors as of December 31, 2018

	% of fund's net assets
Financials	15.2
Information Technology	13.7
Health Care	12.9
Industrials	10.4
Consumer Discretionary	7.4

Asset Allocation (% of fund's net assets)

As of December 31, 2018*

■ Stocks	88.6%
□ Short-Term Investments and Net Other Assets (Liabilities)	11.4%



* Foreign investments – 17.0%

Schedule of Investments December 31, 2018

Showing Percentage of Net Assets

Common Stocks – 88.6%

	Shares	Value
COMMUNICATION SERVICES – 5.5%		
Entertainment – 3.3%		
Activision Blizzard, Inc.	1,856,700	\$ 86,466,519
Electronic Arts, Inc. (a)	1,245,690	98,297,398
Lions Gate Entertainment Corp.:		
Class A (b)	1,739,337	28,003,326
Class B	443,050	6,592,584
		<u>219,359,827</u>
Interactive Media & Services – 0.0%		
Care.com, Inc. (a)	100	1,931
Media – 2.2%		
Interpublic Group of Companies, Inc.	2,532,585	52,247,229
Naspers Ltd. Class N	30,800	6,166,667
News Corp. Class A	664,400	7,540,940
Omnicom Group, Inc.	175,600	12,860,944
The New York Times Co. Class A	3,278,700	73,082,223
		<u>151,898,003</u>
TOTAL COMMUNICATION SERVICES		<u>371,259,761</u>
CONSUMER DISCRETIONARY – 7.4%		
Hotels, Restaurants & Leisure – 3.0%		
ARAMARK Holdings Corp.	579,700	16,793,909
Darden Restaurants, Inc.	160,600	16,037,516
Dine Brands Global, Inc.	734,998	49,494,765
Eldorado Resorts, Inc. (a)	2,562	92,770
Hilton Grand Vacations, Inc. (a)	815,700	21,526,323
Jubilant Foodworks Ltd.	150,140	2,701,959
Penn National Gaming, Inc. (a)	222,519	4,190,033
The Restaurant Group PLC	407,000	739,755
U.S. Foods Holding Corp. (a)	1,858,000	58,787,120
Wyndham Hotels & Resorts, Inc.	686,300	31,137,431
		<u>201,501,581</u>
Household Durables – 0.4%		
iRobot Corp. (a) (b)	64,680	5,416,303
Mohawk Industries, Inc. (a)	200	23,392
Toll Brothers, Inc.	702,100	23,120,153
		<u>28,559,848</u>
Leisure Products – 0.5%		
Bandai Namco Holdings, Inc.	81,900	3,677,248
Polaris Industries, Inc.	395,847	30,353,548
		<u>34,030,796</u>
Media – 0.0%		
China Literature Ltd. (a) (c)	421	1,952
Multiline Retail – 0.8%		
Dollar Tree, Inc. (a)	574,100	51,852,712
Specialty Retail – 0.7%		
CarMax, Inc. (a)	2,200	138,006
Party City Holdco, Inc. (a) (b)	2,461,439	24,565,161
Williams-Sonoma, Inc. (b)	440,700	22,233,315
		<u>46,936,482</u>
Textiles, Apparel & Luxury Goods – 2.0%		
Capri Holdings Ltd. (a)	646,600	24,519,072
Deckers Outdoor Corp. (a)	399,525	51,119,224

	Shares	Value
G-III Apparel Group Ltd. (a)	270,844	\$ 7,553,839
PVH Corp.	540,300	50,220,885
		<u>133,413,020</u>
TOTAL CONSUMER DISCRETIONARY		<u>496,296,391</u>
CONSUMER STAPLES – 4.8%		
Beverages – 0.1%		
C&C Group PLC	2,825,549	8,821,841
Food & Staples Retailing – 0.8%		
Performance Food Group Co. (a)	1,115,996	36,013,191
Sprouts Farmers Market LLC (a)	716,931	16,855,048
		<u>52,868,239</u>
Food Products – 3.4%		
Conagra Brands, Inc.	1,760,400	37,602,144
Ezaki Glico Co. Ltd.	552,300	28,040,579
Ingredion, Inc.	41,305	3,775,277
Kellogg Co.	75,169	4,285,385
Nomad Foods Ltd. (a)	3,877,800	64,836,816
Post Holdings, Inc. (a)	355,600	31,694,628
TreeHouse Foods, Inc. (a)	1,171,000	59,381,410
		<u>229,616,239</u>
Household Products – 0.5%		
Essity AB Class B	817,800	20,078,335
Spectrum Brands Holdings, Inc.	314,200	13,274,950
		<u>33,353,285</u>
TOTAL CONSUMER STAPLES		<u>324,659,604</u>
ENERGY – 7.0%		
Energy Equipment & Services – 2.1%		
Baker Hughes, a GE Co. Class A	425,881	9,156,442
Core Laboratories NV	11,300	674,158
Dril-Quip, Inc. (a)	213,800	6,420,414
Ensco PLC Class A (b)	1,772,110	6,308,712
Frank's International NV (a)	729,200	3,806,424
Halliburton Co.	1,903,200	50,587,056
Helmerich & Payne, Inc.	112,500	5,393,250
Matrix Service Co. (a)	44,300	794,742
Nabors Industries Ltd.	6,983,254	13,966,508
National Oilwell Varco, Inc.	257,800	6,625,460
Oceaneering International, Inc. (a)	606,303	7,336,266
Precision Drilling Corp. (a)	12,896,385	22,388,245
Superior Energy Services, Inc. (a)	16,300	54,605
Transocean Ltd. (United States) (a) (b)	1,007,900	6,994,826
		<u>140,507,108</u>
Oil, Gas & Consumable Fuels – 4.9%		
Anadarko Petroleum Corp.	1,024,171	44,899,657
Apache Corp.	644,996	16,931,145
Berry Petroleum Corp.	1,715,265	15,008,569
Cabot Oil & Gas Corp.	292,600	6,539,610
Cheniere Energy, Inc. (a)	1,006,300	59,562,897
Cimarex Energy Co.	283,952	17,505,641
Continental Resources, Inc. (a)	166,700	6,699,673
Encana Corp.	1,386,300	8,012,814
Newfield Exploration Co. (a)	948,600	13,906,476

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

Common Stocks – continued

	Shares	Value
ENERGY – continued		
Oil, Gas & Consumable Fuels – continued		
Noble Energy, Inc.	1,436,700	\$ 26,952,492
Oasis Petroleum, Inc. (a)	3,026,865	16,738,563
Southwestern Energy Co. (a)	5,298,250	18,067,033
Suncor Energy, Inc.	910,200	25,421,862
Teekay LNG Partners LP	219,311	2,416,807
The Williams Companies, Inc.	373,000	8,224,650
Whiting Petroleum Corp. (a)	270,500	6,137,645
World Fuel Services Corp.	1,554,700	33,286,127
		<u>326,311,661</u>
TOTAL ENERGY		<u>466,818,769</u>
FINANCIALS – 15.2%		
Banks – 7.6%		
Banco Comercial Portugues SA (Reg.) (a)	79,480,000	20,899,236
Bank of the Ozarks, Inc.	724,600	16,542,618
BankUnited, Inc.	489,961	14,669,432
Boston Private Financial Holdings, Inc.	1,997,575	21,114,368
CaixaBank SA	1,943,000	7,036,451
CIT Group, Inc.	1,004,100	38,426,907
Commerce Bancshares, Inc.	234,154	13,199,261
CVB Financial Corp.	1,141,062	23,083,684
East West Bancorp, Inc.	100,700	4,383,471
First Citizen Bancshares, Inc.	2,421	912,838
First Foundation, Inc. (a)	100	1,286
First Horizon National Corp.	2,124,083	27,952,932
First Republic Bank	106,500	9,254,850
FNB Corp., Pennsylvania	809,900	7,969,416
Great Western Bancorp, Inc.	188,230	5,882,188
Hanmi Financial Corp.	574,596	11,319,541
Heartland Financial U.S.A., Inc.	72,200	3,173,190
Huntington Bancshares, Inc.	5,657,616	67,438,783
Investors Bancorp, Inc.	1,114,300	11,588,720
KeyCorp	890,800	13,166,024
Lakeland Financial Corp.	79,919	3,209,547
M&T Bank Corp.	288,100	41,235,753
Old National Bancorp, Indiana	151,900	2,339,260
PacWest Bancorp	658,000	21,898,240
Prosperity Bancshares, Inc.	101,800	6,342,140
Republic First Bancorp, Inc. (a)	7,629	45,545
Signature Bank	289,900	29,804,619
Societe Generale Series A	56,800	1,800,819
TCF Financial Corp.	1,502,625	29,286,161
UMB Financial Corp.	379,900	23,162,503
Union Bankshares Corp.	676,200	19,089,126
Univest Corp. of Pennsylvania	61,900	1,335,183
Valley National Bancorp	581,400	5,162,832
Wintrust Financial Corp.	73,600	4,893,664
		<u>507,620,588</u>
Capital Markets – 1.9%		
Affiliated Managers Group, Inc.	86,800	8,457,792
Ameriprise Financial, Inc.	139,313	14,540,098
Choe Global Markets, Inc.	104,700	10,242,801
CRISIL Ltd.	78,365	1,817,534

	Shares	Value
E*TRADE Financial Corp.	490,300	\$ 21,514,364
Invesco Ltd.	464,000	7,767,360
Legg Mason, Inc.	279,600	7,132,596
Moody's Corp.	144,400	20,221,776
OM Asset Management Ltd.	76,733	819,508
Raymond James Financial, Inc.	286,795	21,340,416
Stifel Financial Corp.	371,900	15,404,098
		<u>129,258,343</u>
Consumer Finance – 0.9%		
Capital One Financial Corp.	251,200	18,988,208
OneMain Holdings, Inc. (a)	157,400	3,823,246
Synchrony Financial	1,575,200	36,954,192
		<u>59,765,646</u>
Insurance – 4.1%		
AFLAC, Inc.	1,462,400	66,626,944
Alleghany Corp.	18,800	11,718,416
Bajaj Finserv Ltd.	54,608	5,083,991
Chubb Ltd.	152,839	19,743,742
Direct Line Insurance Group PLC	1,167,973	4,744,482
Hiscox Ltd.	1,475,421	30,484,066
Hyundai Fire & Marine Insurance Co. Ltd.	267,541	9,860,086
Primerica, Inc.	473,420	46,257,868
Principal Financial Group, Inc.	1,189,900	52,557,883
Reinsurance Group of America, Inc.	200,924	28,175,573
		<u>275,253,051</u>
Thriffs & Mortgage Finance – 0.7%		
Essent Group Ltd. (a)	1,053,670	36,014,441
Housing Development Finance Corp. Ltd.	252,868	7,154,416
		<u>43,168,857</u>
TOTAL FINANCIALS		
		<u>1,015,066,485</u>
HEALTH CARE – 12.9%		
Biotechnology – 2.3%		
Alexion Pharmaceuticals, Inc. (a)	604,700	58,873,592
Amgen, Inc.	135,100	26,299,917
ImmunoGen, Inc. (a)	1,347,100	6,466,080
Regeneron Pharmaceuticals, Inc. (a)	112,100	41,869,350
Sarepta Therapeutics, Inc. (a)	172,983	18,877,635
United Therapeutics Corp. (a)	100	10,890
		<u>152,397,464</u>
Health Care Equipment & Supplies – 5.1%		
Boston Scientific Corp. (a)	1,027,803	36,322,558
ConvaTec Group PLC (c)	4,278,368	7,577,232
ConvaTec Group PLC ADR	759,500	5,392,450
Dentsply Sirona, Inc.	711,200	26,463,752
Hill-Rom Holdings, Inc.	227,311	20,128,389
Hologic, Inc. (a)	910,624	37,426,646
Medtronic PLC	615,700	56,004,072
ResMed, Inc.	159,548	18,167,731
St.Shine Optical Co. Ltd.	484,000	8,508,152
Steris PLC	321,900	34,395,015
The Cooper Companies, Inc.	100,483	25,572,924
Zimmer Biomet Holdings, Inc.	643,300	66,723,076
		<u>342,681,997</u>

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
HEALTH CARE – continued		
Health Care Providers & Services – 2.2%		
Cardinal Health, Inc.	85,647	\$ 3,819,856
Centene Corp. (a)	149,638	17,253,261
Cigna Corp.	96,100	18,251,312
HCA Holdings, Inc.	311,335	38,745,641
Henry Schein, Inc. (a)	264,800	20,792,096
Ryman Healthcare Group Ltd.	827,489	5,965,110
Spire Healthcare Group PLC (c)	2,914,256	4,045,102
Universal Health Services, Inc. Class B	330,600	38,534,736
		<u>147,407,114</u>
Life Sciences Tools & Services – 0.5%		
Charles River Laboratories International, Inc. (a)	1,400	158,452
Thermo Fisher Scientific, Inc.	132,363	29,621,516
		<u>29,779,968</u>
Pharmaceuticals – 2.8%		
Allergan PLC	120,000	16,039,200
Amneal Pharmaceuticals, Inc. (a) (b)	580,524	7,854,490
Catalent, Inc. (a)	459,200	14,317,856
Jazz Pharmaceuticals PLC (a)	560,071	69,426,401
Melinta Therapeutics, Inc. (a)	567,600	449,937
Nektar Therapeutics (a)	157,700	5,183,599
Perrigo Co. PLC	1,238,700	47,999,625
Shionogi & Co. Ltd.	34,200	1,951,982
Teva Pharmaceutical Industries Ltd. sponsored ADR	1,759,956	27,138,522
Theravance Biopharma, Inc. (a)	10,605	271,382
		<u>190,632,994</u>
TOTAL HEALTH CARE		<u>862,899,537</u>
INDUSTRIALS – 10.4%		
Aerospace & Defense – 0.0%		
MTU Aero Engines Holdings AG	5,514	1,000,718
Air Freight & Logistics – 0.2%		
C.H. Robinson Worldwide, Inc.	154,600	13,000,314
XPO Logistics, Inc. (a)	3,081	175,740
		<u>13,176,054</u>
Airlines – 1.1%		
Allegiant Travel Co.	211,300	21,176,486
Copa Holdings SA Class A	71,600	5,635,636
Spirit Airlines, Inc. (a)	802,213	46,464,177
		<u>73,276,299</u>
Building Products – 0.5%		
Johnson Controls International PLC	1,143,776	33,912,958
Lennox International, Inc.	4,957	1,084,889
		<u>34,997,847</u>
Commercial Services & Supplies – 0.6%		
HNI Corp.	42,500	1,505,775
KAR Auction Services, Inc.	200,882	9,586,089
Knoll, Inc.	1,300,106	21,425,747
Stericycle, Inc. (a)	213,300	7,825,977
		<u>40,343,588</u>
Construction & Engineering – 1.6%		
Fluor Corp.	1,004,500	32,344,900

	Shares	Value
Jacobs Engineering Group, Inc.	981,355	\$ 57,370,013
KBR, Inc.	1,161,800	17,636,124
		<u>107,351,037</u>
Electrical Equipment – 1.7%		
Acuity Brands, Inc.	29,800	3,425,510
AMETEK, Inc.	189,100	12,802,070
Hubbell, Inc. Class B	322,800	32,066,952
Melrose Industries PLC	1	2
Regal Beloit Corp.	956,515	67,003,876
		<u>115,298,410</u>
Industrial Conglomerates – 1.1%		
ITT, Inc.	1,051,000	50,731,770
Smiths Group PLC	1,375,465	23,913,207
		<u>74,644,977</u>
Machinery – 2.3%		
Allison Transmission Holdings, Inc.	255,500	11,219,005
Flowserve Corp.	671,500	25,530,430
IDEX Corp.	100	12,626
Ingersoll-Rand PLC	440,245	40,163,551
KION Group AG	133,300	6,770,453
Proto Labs, Inc. (a)	100	11,279
Rexnord Corp. (a)	2,035,334	46,710,915
SMC Corp.	100	30,107
Wabtec Corp. (b)	353,946	24,864,707
		<u>155,313,073</u>
Road & Rail – 0.1%		
J.B. Hunt Transport Services, Inc.	41,600	3,870,464
Old Dominion Freight Lines, Inc.	100	12,349
		<u>3,882,813</u>
Trading Companies & Distributors – 1.2%		
HD Supply Holdings, Inc. (a)	1,170,100	43,902,152
Univar, Inc. (a)	1,696,900	30,103,006
WESCO International, Inc. (a)	107,000	5,136,000
		<u>79,141,158</u>
TOTAL INDUSTRIALS		<u>698,425,974</u>
INFORMATION TECHNOLOGY – 13.7%		
Communications Equipment – 1.3%		
F5 Networks, Inc. (a)	319,854	51,825,944
Nokia Corp. sponsored ADR	5,901,300	34,345,566
		<u>86,171,510</u>
Electronic Equipment & Components – 1.4%		
Amphenol Corp. Class A	2,000	162,040
Avnet, Inc.	920,030	33,213,083
CDW Corp.	418,601	33,927,611
Keysight Technologies, Inc. (a)	27,953	1,735,322
TE Connectivity Ltd.	368,566	27,874,647
		<u>96,912,703</u>
IT Services – 8.6%		
Akamai Technologies, Inc. (a)	1,286,900	78,603,852
Carbonite, Inc. (a)	801,984	20,258,116
Cognizant Technology Solutions Corp. Class A	209,493	13,298,616
Conduent, Inc. (a)	4,252,509	45,204,171
EPAM Systems, Inc. (a)	258,600	30,000,186
Euronet Worldwide, Inc. (a)	872,277	89,303,719

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

Common Stocks – continued

	Shares	Value
INFORMATION TECHNOLOGY – continued		
IT Services – continued		
Fidelity National Information Services, Inc.	270,777	\$ 27,768,181
FleetCor Technologies, Inc. (a)	433,140	80,442,761
Genpact Ltd.	1,878,788	50,708,488
Global Payments, Inc.	161,800	16,686,434
Indra Sistemas SA (a)	768,158	7,247,764
Leidos Holdings, Inc.	75,200	3,964,544
PayPal Holdings, Inc. (a)	202,400	17,019,816
Sabre Corp.	270,300	5,849,292
Total System Services, Inc.	611,010	49,669,003
Visa, Inc. Class A	290,600	38,341,764
		<u>574,366,707</u>
Semiconductors & Semiconductor Equipment – 1.6%		
Marvell Technology Group Ltd.	1,038,600	16,814,934
Qualcomm, Inc.	747,900	42,562,989
Semtech Corp. (a)	852,951	39,124,862
Versum Materials, Inc.	245,400	6,802,488
		<u>105,305,273</u>
Software – 0.8%		
CDK Global, Inc.	1,103,700	52,845,156
		<u>915,601,349</u>
MATERIALS – 7.1%		
Chemicals – 4.6%		
Ashland Global Holdings, Inc.	253,426	17,983,109
Cabot Corp.	392,800	16,866,832
CF Industries Holdings, Inc.	384,900	16,746,999
H.B. Fuller Co.	212,275	9,057,774
Innospec, Inc.	130,109	8,035,532
LG Chemical Ltd.	43,008	13,398,492
LyondellBasell Industries NV Class A	337,300	28,049,868
Olin Corp.	88,946	1,788,704
Orion Engineered Carbons SA	676,100	17,091,808
Platform Specialty Products Corp. (a)	3,542,000	36,588,860
The Chemours Co. LLC	1,815,400	51,230,588
The Mosaic Co.	2,557,600	74,707,496
W.R. Grace & Co.	134,051	8,701,250
Westlake Chemical Corp.	71,800	4,751,006
		<u>304,998,318</u>
Construction Materials – 0.2%		
Martin Marietta Materials, Inc.	43,339	7,448,674
nVent Electric PLC	100,500	2,257,230
Taiheiyō Cement Corp.	200,800	6,179,658
		<u>15,885,562</u>
Containers & Packaging – 1.5%		
Aptargroup, Inc.	171,930	16,173,455
Ball Corp.	163,200	7,503,936
Crown Holdings, Inc. (a)	1,019,500	42,380,615
Greif, Inc. Class A	18,700	693,957
Packaging Corp. of America	440,627	36,774,729
		<u>103,526,692</u>
Metals & Mining – 0.8%		
B2Gold Corp. (a)	4,312,000	12,602,461
Continental Gold, Inc. (a)	100	165

	Shares	Value
First Quantum Minerals Ltd.	838,500	\$ 6,780,721
Guyana Goldfields, Inc. (a)	785,200	920,246
Randgold Resources Ltd. sponsored ADR	58,532	4,999,634
Tahoe Resources, Inc. (a)	686,100	2,497,742
Torex Gold Resources, Inc. (a)	2,358,100	22,437,532
		<u>50,238,501</u>
TOTAL MATERIALS		
		<u>474,649,073</u>
REAL ESTATE – 1.8%		
Equity Real Estate Investment Trusts (REITs) – 1.4%		
Hibernia (REIT) PLC	11,630,749	16,684,065
National Retail Properties, Inc.	167,500	8,125,425
Outfront Media, Inc.	602,606	10,919,221
Realty Income Corp.	134,006	8,447,738
Safestore Holdings PLC	3,276,501	21,152,596
Store Capital Corp.	730,591	20,683,031
Urban Edge Properties	97,099	1,613,785
VEREIT, Inc.	833,950	5,962,743
		<u>93,588,604</u>
Real Estate Management & Development – 0.4%		
CBRE Group, Inc. (a)	382,323	15,308,213
Olav Thon Eiendomsselskap A/S	403,300	6,530,041
Sino Land Ltd.	115,372	197,726
Tai Cheung Holdings Ltd.	1,653,000	1,612,786
Wing Tai Holdings Ltd.	4,161,100	5,892,309
		<u>29,541,075</u>
TOTAL REAL ESTATE		
		<u>123,129,679</u>
UTILITIES – 2.8%		
Electric Utilities – 1.1%		
Exelon Corp.	373,900	16,862,890
Vistra Energy Corp. (a)	2,351,506	53,825,972
		<u>70,688,862</u>
Gas Utilities – 0.1%		
China Resource Gas Group Ltd.	2,078,000	8,226,550
Independent Power and Renewable Electricity Producers – 1.6%		
The AES Corp.	7,574,100	109,521,484
		<u>188,436,896</u>
TOTAL UTILITIES		
		<u>188,436,896</u>
TOTAL COMMON STOCKS		
		<u>(Cost \$5,830,709,921)</u>
		5,937,243,518

See accompanying notes which are an integral part of the financial statements.

Money Market Funds – 16.4%

	Shares	Value
Fidelity Cash Central Fund, 2.42% (d)	1,006,184,502	\$ 1,006,385,739
Fidelity Securities Lending Cash Central Fund 2.41% (d) (e)	91,819,147	<u>91,828,329</u>

TOTAL MONEY MARKET FUNDS

(Cost \$1,098,206,523) **1,098,214,068**

TOTAL INVESTMENT IN SECURITIES – 105.0%

(Cost \$6,928,916,444) **7,035,457,586**

NET OTHER ASSETS (LIABILITIES) – (5.0)%

(332,757,492)

NET ASSETS – 100%

\$6,702,700,094

Legend

- (a) Non-income producing
- (b) Security or a portion of the security is on loan at period end.
- (c) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At the end of the period, the value of these securities amounted to \$11,624,286 or 0.2% of net assets.
- (d) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request. In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.
- (e) Investment made with cash collateral received from securities on loan.

Affiliated Central Funds

Information regarding fiscal year to date income earned by the Fund from investments in Fidelity Central Funds is as follows:

Fund	Income earned
Fidelity Cash Central Fund	\$ 2,479,732
Fidelity Securities Lending Cash Central Fund	341,372
Total	<u>\$ 2,821,104</u>

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations if applicable.

Other Affiliated Issuers

An affiliated company is a company in which the Fund has ownership of at least 5% of the voting securities. Fiscal year to date transactions with companies which are or were affiliates are as follows:

Affiliate	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Dine Brands Global, Inc. (formerly DineEquity, Inc.)	<u>\$63,970,530</u>	<u>\$—</u>	<u>\$43,398,027</u>	<u>\$2,636,864</u>	<u>\$ (7,117,816)</u>	<u>\$36,040,078</u>	<u>\$—</u>
Total	<u>\$63,970,530</u>	<u>\$—</u>	<u>\$43,398,027</u>	<u>\$2,636,864</u>	<u>\$ (7,117,816)</u>	<u>\$36,040,078</u>	<u>\$—</u>

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2018, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

Valuation Inputs at Reporting Date:

Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Equities:				
Communication Services	\$ 371,259,761	\$ 365,093,094	\$ 6,166,667	\$ —
Consumer Discretionary	496,296,391	492,619,143	3,677,248	—
Consumer Staples	324,659,604	296,619,025	28,040,579	—
Energy	466,818,769	466,818,769	—	—
Financials	1,015,066,485	1,006,229,215	8,837,270	—
Health Care	862,899,537	860,947,555	1,951,982	—
Industrials	698,425,974	698,395,867	30,107	—
Information Technology	915,601,349	915,601,349	—	—
Materials	474,649,073	468,469,415	6,179,658	—
Real Estate	123,129,679	123,129,679	—	—
Utilities	188,436,896	188,436,896	—	—
Money Market Funds	1,098,214,068	1,098,214,068	—	—
Total Investments in Securities:	\$7,035,457,586	\$6,980,574,075	\$54,883,511	\$ —

Other Information

Distribution of investments by country or territory of incorporation, as a percentage of Total Net Assets, is as follows (Unaudited):

United States of America	83.0%
Ireland	4.3%
Bermuda	2.5%
Canada	2.0%
United Kingdom	1.6%
British Virgin Islands	1.4%
Others (Individually Less Than 1%)	5.2%
	<u>100.0%</u>

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

December 31, 2018

Assets

Investment in securities, at value (including securities loaned of \$89,637,492) — See accompanying schedule:

Unaffiliated issuers (cost \$5,830,709,921)	\$ 5,937,243,518	
Fidelity Central Funds (cost \$1,098,206,523)	<u>1,098,214,068</u>	
Total Investment in Securities (cost \$6,928,916,444)		\$ 7,035,457,586
Foreign currency held at value (cost \$45,451)		45,164
Receivable for investments sold		34,887,633
Receivable for fund shares sold		9,270,108
Dividends receivable		5,711,235
Distributions receivable from Fidelity Central Funds		1,723,288
Prepaid expenses		12,309
Other receivables		<u>166,216</u>
Total assets		<u>7,087,273,539</u>

Liabilities

Payable for investments purchased	\$ 284,460,998	
Payable for fund shares redeemed	3,513,398	
Accrued management fee	3,113,269	
Distribution and service plan fees payable	1,016,568	
Other affiliated payables	508,069	
Other payables and accrued expenses	143,968	
Collateral on securities loaned	<u>91,817,175</u>	
Total liabilities		<u>384,573,445</u>

Net Assets \$ 6,702,700,094

Net Assets consist of:

Paid in capital	\$ 5,783,414,353
Total distributable earnings (loss)	<u>919,285,741</u>
Net Assets	<u>\$ 6,702,700,094</u>

Net Asset Value and Maximum Offering Price

Initial Class:
Net Asset Value, offering price and redemption price per share ($\$1,141,304,902 \div 37,804,083$ shares) \$ 30.19

Service Class:
Net Asset Value, offering price and redemption price per share ($\$504,155,562 \div 16,860,055$ shares) \$ 29.90

Service Class 2:
Net Asset Value, offering price and redemption price per share ($\$4,526,446,081 \div 154,896,608$ shares) \$ 29.22

Investor Class:
Net Asset Value, offering price and redemption price per share ($\$530,793,549 \div 17,688,094$ shares) \$ 30.01

See accompanying notes which are an integral part of the financial statements.

Financial Statements – continued

Statement of Operations

	Year ended December 31, 2018
Investment Income	
Dividends (including \$2,636,864 earned from other affiliated issuers)	\$ 102,148,577
Income from Fidelity Central Funds	2,821,104
Total income	<u>104,969,681</u>
Expenses	
Management fee	\$ 45,572,659
Transfer agent fees	5,981,739
Distribution and service plan fees	15,024,510
Accounting and security lending fees	1,245,515
Custodian fees and expenses	226,729
Independent trustees' fees and expenses	46,205
Audit	60,408
Legal	28,449
Interest	32,804
Miscellaneous	59,855
Total expenses before reductions	68,278,873
Expense reductions	(503,787)
Total expenses after reductions	<u>67,775,086</u>
Net investment income (loss)	<u>37,194,595</u>
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) on:	
Investment securities:	
Unaffiliated issuers	830,736,457
Fidelity Central Funds	4,842
Other affiliated issuers	(7,117,816)
Foreign currency transactions	77,765
Total net realized gain (loss)	<u>823,701,248</u>
Change in net unrealized appreciation (depreciation) on:	
Investment securities:	
Unaffiliated issuers	(2,033,543,680)
Fidelity Central Funds	(11,083)
Other affiliated issuers	36,040,078
Assets and liabilities in foreign currencies	(1,760)
Total change in net unrealized appreciation (depreciation)	<u>(1,997,516,445)</u>
Net gain (loss)	<u>(1,173,815,197)</u>
Net increase (decrease) in net assets resulting from operations	<u>\$ (1,136,620,602)</u>

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2018	Year ended December 31, 2017
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	\$ 37,194,595	\$ 46,511,645
Net realized gain (loss)	823,701,248	799,562,779
Change in net unrealized appreciation (depreciation)	(1,997,516,445)	744,068,528
Net increase (decrease) in net assets resulting from operations	<u>(1,136,620,602)</u>	<u>1,590,142,952</u>
Distributions to shareholders	(783,437,537)	—
Distributions to shareholders from net investment income	—	(45,709,222)
Distributions to shareholders from net realized gain	—	(394,785,154)
Total distributions	<u>(783,437,537)</u>	<u>(440,494,376)</u>
Share transactions — net increase (decrease)	(199,541,008)	(561,737,302)
Total increase (decrease) in net assets	<u>(2,119,599,147)</u>	<u>587,911,274</u>
Net Assets		
Beginning of period	8,822,299,241	8,234,387,967
End of period	<u>\$ 6,702,700,094</u>	<u>\$ 8,822,299,241</u>
Other Information		
Undistributed net investment income end of period		<u>\$ 11,169,812</u>

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Mid Cap Portfolio Initial Class

Years ended December 31, Selected Per-Share Data	2018	2017	2016	2015	2014
Net asset value, beginning of period	\$ 38.94	\$ 33.98	\$ 32.65	\$ 37.68	\$ 36.39
Income from Investment Operations					
Net investment income (loss) ^A	.23	.26	.21	.17	.13
Net realized and unrealized gain (loss)	(5.47)	6.59	3.27	(.59)	2.11
Total from investment operations	(5.24)	6.85	3.48	(.42)	2.24
Distributions from net investment income	(.24)	(.26)	(.16)	(.16) ^B	(.10)
Distributions from net realized gain	(3.27)	(1.63)	(1.99)	(4.45) ^B	(.85)
Total distributions	(3.51)	(1.89)	(2.15)	(4.61)	(.95)
Net asset value, end of period	\$ 30.19	\$ 38.94	\$ 33.98	\$ 32.65	\$ 37.68
Total Return ^{C,D}	(14.54)%	20.81%	12.23%	(1.39)%	6.29%
Ratios to Average Net Assets ^{E,F}					
Expenses before reductions	.62%	.63%	.63%	.63%	.64%
Expenses net of fee waivers, if any	.62%	.63%	.63%	.63%	.64%
Expenses net of all reductions	.62%	.62%	.63%	.63%	.63%
Net investment income (loss)	.62%	.74%	.68%	.49%	.35%
Supplemental Data					
Net assets, end of period (000 omitted)	\$ 1,141,305	\$ 1,463,407	\$ 1,360,134	\$ 1,382,527	\$ 1,476,171
Portfolio turnover rate ^G	47%	31%	30%	26% ^H	142%

^A Calculated based on average shares outstanding during the period.

^B The amounts shown reflect certain reclassifications related to book to tax differences that were made in the year shown.

^C Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

^D Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

^E Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds.

^F Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.

^G Amount does not include the portfolio activity of any underlying Fidelity Central Funds.

^H The portfolio turnover rate does not include the assets acquired in the merger.

See accompanying notes which are an integral part of the financial statements.

VIP Mid Cap Portfolio Service Class

Years ended December 31, Selected Per-Share Data	2018	2017	2016	2015	2014
Net asset value, beginning of period	\$ 38.60	\$ 33.70	\$ 32.41	\$ 37.44	\$ 36.16
Income from Investment Operations					
Net investment income (loss) ^A	.19	.23	.18	.13	.09
Net realized and unrealized gain (loss)	(5.42)	6.52	3.23	(.59)	2.10
Total from investment operations	(5.23)	6.75	3.41	(.46)	2.19
Distributions from net investment income	(.20)	(.22)	(.14)	(.13) ^B	(.06)
Distributions from net realized gain	(3.27)	(1.63)	(1.99)	(4.45) ^B	(.85)
Total distributions	(3.47)	(1.85)	(2.12) ^C	(4.57) ^D	(.91)
Net asset value, end of period	\$ 29.90	\$ 38.60	\$ 33.70	\$ 32.41	\$ 37.44
Total Return^{E,F}	(14.64)%	20.70%	12.11%	(1.50)%	6.20%
Ratios to Average Net Assets^{G,H}					
Expenses before reductions	.72%	.73%	.73%	.73%	.74%
Expenses net of fee waivers, if any	.72%	.73%	.73%	.73%	.74%
Expenses net of all reductions	.72%	.72%	.73%	.73%	.73%
Net investment income (loss)	.52%	.64%	.58%	.39%	.25%
Supplemental Data					
Net assets, end of period (000 omitted)	\$ 504,156	\$ 629,727	\$ 566,378	\$ 566,349	\$ 622,227
Portfolio turnover rate ^I	47%	31%	30%	26% ^J	142%

^A Calculated based on average shares outstanding during the period.

^B The amounts shown reflect certain reclassifications related to book to tax differences that were made in the year shown.

^C Total distributions of \$2.12 per share is comprised of distributions from net investment income of \$.137 and distributions from net realized gain of \$1.987 per share.

^D Total distributions of \$4.57 per share is comprised of distributions from net investment income of \$.128 and distributions from net realized gain of \$4.445 per share.

^E Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

^F Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

^G Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds.

^H Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.

^I Amount does not include the portfolio activity of any underlying Fidelity Central Funds.

^J The portfolio turnover rate does not include the assets acquired in the merger.

See accompanying notes which are an integral part of the financial statements.

Financial Highlights – continued

VIP Mid Cap Portfolio Service Class 2

Years ended December 31, Selected Per-Share Data	2018	2017	2016	2015	2014
Net asset value, beginning of period	\$ 37.79	\$ 33.03	\$ 31.83	\$ 36.84	\$ 35.60
Income from Investment Operations					
Net investment income (loss) ^A	.13	.17	.13	.08	.04
Net realized and unrealized gain (loss)	(5.28)	6.39	3.16	(.57)	2.06
Total from investment operations	(5.15)	6.56	3.29	(.49)	2.10
Distributions from net investment income	(.15)	(.17)	(.10)	(.08) ^B	(.01)
Distributions from net realized gain	(3.27)	(1.63)	(1.99)	(4.45) ^B	(.85)
Total distributions	(3.42)	(1.80)	(2.09)	(4.52) ^C	(.86)
Net asset value, end of period	\$ 29.22	\$ 37.79	\$ 33.03	\$ 31.83	\$ 36.84
Total Return ^{D,E}	(14.77)%	20.54%	11.92%	(1.63)%	6.03%
Ratios to Average Net Assets ^{F,G}					
Expenses before reductions	.87%	.88%	.88%	.88%	.88%
Expenses net of fee waivers, if any	.87%	.88%	.88%	.88%	.88%
Expenses net of all reductions	.87%	.87%	.88%	.88%	.88%
Net investment income (loss)	.37%	.49%	.43%	.24%	.10%
Supplemental Data					
Net assets, end of period (000 omitted)	\$ 4,526,446	\$ 6,070,380	\$ 5,746,266	\$ 5,591,030	\$ 6,431,011
Portfolio turnover rate ^H	47%	31%	30%	26% ^I	142%

^A Calculated based on average shares outstanding during the period.

^B The amounts shown reflect certain reclassifications related to book to tax differences that were made in the year shown.

^C Total distributions of \$4.52 per share is comprised of distributions from net investment income of \$.075 and distributions from net realized gain of \$4.446 per share.

^D Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

^E Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

^F Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds.

^G Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.

^H Amount does not include the portfolio activity of any underlying Fidelity Central Funds.

^I The portfolio turnover rate does not include the assets acquired in the merger.

See accompanying notes which are an integral part of the financial statements.

VIP Mid Cap Portfolio Investor Class

Years ended December 31, Selected Per-Share Data	2018	2017	2016	2015	2014
Net asset value, beginning of period	\$ 38.72	\$ 33.80	\$ 32.50	\$ 37.53	\$ 36.25
Income from Investment Operations					
Net investment income (loss) ^A	.20	.23	.19	.14	.10
Net realized and unrealized gain (loss)	(5.43)	6.55	3.24	(.59)	2.10
Total from investment operations	(5.23)	6.78	3.43	(.45)	2.20
Distributions from net investment income	(.21)	(.23)	(.14)	(.14) ^B	(.07)
Distributions from net realized gain	(3.27)	(1.63)	(1.99)	(4.45) ^B	(.85)
Total distributions	(3.48)	(1.86)	(2.13)	(4.58) ^C	(.92)
Net asset value, end of period	\$ 30.01	\$ 38.72	\$ 33.80	\$ 32.50	\$ 37.53
Total Return ^{D,E}	(14.60)%	20.72%	12.13%	(1.47)%	6.20%
Ratios to Average Net Assets ^{F,G}					
Expenses before reductions	.70%	.71%	.71%	.71%	.72%
Expenses net of fee waivers, if any	.70%	.71%	.71%	.71%	.72%
Expenses net of all reductions	.70%	.71%	.71%	.71%	.71%
Net investment income (loss)	.54%	.65%	.60%	.41%	.27%
Supplemental Data					
Net assets, end of period (000 omitted)	\$ 530,794	\$ 658,785	\$ 561,609	\$ 523,368	\$ 503,509
Portfolio turnover rate ^H	47%	31%	30%	26% ^I	142%

^A Calculated based on average shares outstanding during the period.

^B The amounts shown reflect certain reclassifications related to book to tax differences that were made in the year shown.

^C Total distributions of \$4.58 per share is comprised of distributions from net investment income of \$.137 and distributions from net realized gain of \$4.446 per share.

^D Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

^E Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

^F Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds.

^G Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.

^H Amount does not include the portfolio activity of any underlying Fidelity Central Funds.

^I The portfolio turnover rate does not include the assets acquired in the merger.

See accompanying notes which are an integral part of the financial statements.

Notes to Financial Statements

For the period ended December 31, 2018

1. Organization.

VIP Mid Cap Portfolio (the Fund) is a fund of Variable Insurance Products Fund III (the Trust) and is authorized to issue an unlimited number of shares. The Trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. Shares of the Fund may only be purchased by insurance companies for the purpose of funding variable annuity or variable life insurance contracts. The Fund offers the following classes of shares: Initial Class shares, Service Class shares, Service Class 2 shares and Investor Class shares. All classes have equal rights and voting privileges, except for matters affecting a single class.

2. Investments in Fidelity Central Funds.

The Fund invests in Fidelity Central Funds, which are open-end investment companies generally available only to other investment companies and accounts managed by the investment adviser and its affiliates. The Fund's Schedule of Investments lists each of the Fidelity Central Funds held as of period end, if any, as an investment of the Fund, but does not include the underlying holdings of each Fidelity Central Fund. As an Investing Fund, the Fund indirectly bears its proportionate share of the expenses of the underlying Fidelity Central Funds.

The Money Market Central Funds seek preservation of capital and current income and are managed by Fidelity Investments Money Management, Inc. (FIMM), an affiliate of the investment adviser. Annualized expenses of the Money Market Central Funds as of their most recent shareholder report date are less than .005%.

A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the Securities and Exchange Commission (the SEC) website at www.sec.gov. In addition, the financial statements of the Fidelity Central Funds, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC website or upon request.

3. Significant Accounting Policies.

The Fund is an investment company and applies the accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 Financial Services — Investments Companies. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The following summarizes the significant accounting policies of the Fund:

Investment Valuation. Investments are valued as of 4:00 p.m. Eastern time on the last calendar day of the period. The Board of Trustees (the Board) has delegated the day to day responsibility for the valuation of the Fund's investments to the Fair Value Committee (the Committee) established by the Fund's investment adviser. In accordance with valuation policies and procedures approved by the Board, the Fund attempts to obtain prices from one or more third party pricing vendors or brokers to value its investments. When current market prices, quotations or currency exchange rates are not readily available or reliable, investments will be fair valued in good faith by the Committee, in accordance with procedures adopted by the Board. Factors used in determining fair value vary by investment type and may include market or investment specific events. The frequency with which these procedures are used cannot be predicted and they may be utilized to a significant extent. The Committee oversees the Fund's valuation policies and procedures and reports to the Board on the Committee's activities and fair value determinations. The Board monitors the appropriateness of the procedures used in valuing the Fund's investments and ratifies the fair value determinations of the Committee.

The Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

Level 1 — quoted prices in active markets for identical investments

Level 2 — other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, etc.)

Level 3 — unobservable inputs (including the Fund's own assumptions based on the best information available)

Valuation techniques used to value the Fund's investments by major category are as follows:

Equity securities, including restricted securities, for which market quotations are readily available, are valued at the last reported sale price or official closing price as reported by a third party pricing vendor on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. In the event there were no sales during the day or closing prices are not available, securities are valued at the last quoted bid price or may be valued using the last available price and are generally categorized as Level 2 in the hierarchy. For foreign equity securities, when market or security specific events arise, comparisons to the valuation of American Depositary Receipts (ADRs), futures contracts, Exchange-Traded Funds (ETFs) and certain indexes as well as quoted prices for similar securities may be used and would be categorized as Level 2 in the hierarchy. Utilizing these techniques may result in transfers between Level 1 and Level 2. For equity securities, including restricted securities, where observable inputs are limited, assumptions about market activity and risk are used and these securities may be categorized as Level 3 in the hierarchy.

Investments in open-end mutual funds, including the Fidelity Central Funds, are valued at their closing net asset value (NAV) each business day and are categorized as Level 1 in the hierarchy.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The aggregate value of investments by input level as of December 31, 2018 is included at the end of the Fund's Schedule of Investments.

Foreign Currency. The Fund may use foreign currency contracts to facilitate transactions in foreign-denominated securities. Gains and losses from these transactions may arise from changes in the value of the foreign currency or if the counterparties do not perform under the contracts' terms.

Foreign-denominated assets, including investment securities, and liabilities are translated into U.S. dollars at the exchange rates at period end. Purchases and sales of investment securities, income and dividends received and expenses denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date.

The effects of exchange rate fluctuations on investments are included with the net realized and unrealized gain (loss) on investment securities. Other foreign currency transactions resulting in realized and unrealized gain (loss) are disclosed separately.

Investment Transactions and Income. For financial reporting purposes, the Fund's investment holdings and NAV include trades executed through the end of the last business day of the period. The NAV per share for processing shareholder transactions is calculated as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time and includes trades executed through the end of the prior business day. Gains and losses on securities sold are determined on the basis of identified cost and include proceeds received from litigation. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Income and capital gain distributions from Fidelity Central Funds, if any, are recorded on the ex-dividend date. Certain distributions received by the Fund represent a return of capital or capital gain. The Fund determines the components of these distributions subsequent to the ex-dividend date, based upon receipt of tax filings or other correspondence relating to the underlying investment. These distributions are recorded as a reduction of cost of investments and/or as a realized gain. Investment income is recorded net of foreign taxes withheld where recovery of such taxes is uncertain.

Class Allocations and Expenses. Investment income, realized and unrealized capital gains and losses, common expenses of the Fund, and certain fund-level expense reductions, if any, are allocated daily on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of the Fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred. Certain expense reductions may also differ by class. For the reporting period, the allocated portion of income and expenses to each class as a percent of its average net assets may vary due to the timing of recording these transactions in relation to fluctuating net assets of the classes. Expenses directly attributable to a fund are charged to that fund. Expenses attributable to more than one fund are allocated among the respective funds on the basis of relative net assets or other appropriate methods. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Deferred Trustee Compensation. Under a Deferred Compensation Plan (the Plan), certain independent Trustees have elected to defer receipt of a portion of their annual compensation. Deferred amounts are invested in a cross-section of Fidelity funds, are marked-to-market and remain in the Fund until distributed in accordance with the Plan. The investment of deferred amounts and the offsetting payable to the Trustees of \$19,653 are included in the accompanying Statement of Assets and Liabilities in other receivables and other payables and accrued expenses, respectively.

Income Tax Information and Distributions to Shareholders. Each year, the Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code, including distributing substantially all of its taxable income and realized gains. As a result, no provision for U.S. Federal income taxes is required. As of December 31, 2018, the Fund did not have any unrecognized tax benefits in the financial statements; nor is the Fund aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. The Fund files a U.S. federal tax return, in addition to state and local tax returns as required. The Fund's federal income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three fiscal years after they are filed. State and local tax returns may be subject to examination for an additional fiscal year depending on the jurisdiction. Foreign taxes are provided for based on the Fund's understanding of the tax rules and rates that exist in the foreign markets in which it invests.

Distributions are declared and recorded on the ex-dividend date. Income and capital gain distributions are declared separately for each class. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Capital accounts are not adjusted for temporary book-tax differences which will reverse in a subsequent period.

Book-tax differences are primarily due to foreign currency transactions, passive foreign investment companies (PFIC), partnerships, equity-debt classifications and losses deferred due to wash sales.

As of period end, the cost and unrealized appreciation (depreciation) in securities, and derivatives if applicable, for federal income tax purposes were as follows:

Gross unrealized appreciation	\$ 964,239,592
Gross unrealized depreciation	<u>(874,587,013)</u>
Net unrealized appreciation (depreciation)	<u>\$ 89,652,579</u>
Tax Cost	<u>\$6,945,805,007</u>

The tax-based components of distributable earnings as of period end were as follows:

Undistributed ordinary income	<u>\$ 9,375,216</u>
Undistributed long-term capital gain	<u>\$820,318,359</u>
Net unrealized appreciation (depreciation) on securities and other investments	<u>\$ 89,611,818</u>

The tax character of distributions paid was as follows:

	December 31, 2018	December 31, 2017
Ordinary Income	\$ 54,137,705	\$104,079,726
Long-term Capital Gains	<u>729,299,832</u>	<u>336,414,650</u>
Total	<u>\$783,437,537</u>	<u>\$440,494,376</u>

Restricted Securities. The Fund may invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are registered. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at an acceptable price may be difficult. Information regarding restricted securities is included at the end of the Fund's Schedule of Investments.

Notes to Financial Statements – continued

New Rule Issuance. During August 2018, the U.S. Securities and Exchange Commission issued Final Rule Release No. 33-10532, Disclosure Update and Simplification. This Final Rule includes amendments specific to registered investment companies that are intended to eliminate overlap in disclosure requirements between Regulation S-X and GAAP. In accordance with these amendments, certain line-items in the Fund's financial statements have been combined or removed for the current period as outlined in the table below.

Financial Statement	Current Line-Item Presentation	Prior Line-Item Presentation
Statement of Assets and Liabilities	Total distributable earnings (loss)	Undistributed/Distributions in excess of/Accumulated net investment income (loss) Accumulated/Undistributed net realized gain (loss) Net unrealized appreciation (depreciation)
Statement of Changes in Net Assets	N/A – removed	Undistributed/Distributions in excess of/Accumulated net investment income (loss) end of period
Statement of Changes in Net Assets	Distributions to shareholders	Distributions to shareholders from net investment income Distributions to shareholders from net realized gain
Distributions to Shareholders Note to Financial Statements	Distributions to shareholders	Distributions to shareholders from net investment income Distributions to shareholders from net realized gain

4. Purchases and Sales of Investments.

Purchases and sales of securities, other than short-term securities, aggregated \$3,867,621,342 and \$5,566,217,324, respectively.

5. Fees and Other Transactions with Affiliates.

Management Fee. Fidelity Management & Research Company (the investment adviser) and its affiliates provide the Fund with investment management related services for which the Fund pays a monthly management fee. The management fee is the sum of an individual fund fee rate that is based on an annual rate of .30% of the Fund's average net assets and an annualized group fee rate that averaged .24% during the period. The group fee rate is based upon the average net assets of all the mutual funds advised by the investment adviser, including any mutual funds previously advised by the investment adviser that are currently advised by Fidelity SelectCo, LLC, an affiliate of the investment adviser. The group fee rate decreases as assets under management increase and increases as assets under management decrease. For the reporting period, the total annual management fee rate was .54% of the Fund's average net assets.

Distribution and Service Plan Fees. In accordance with Rule 12b-1 of the 1940 Act, the Fund has adopted separate 12b-1 Plans for each Service Class of shares. Each Service Class pays Fidelity Distributors Corporation (FDC), an affiliate of the investment adviser, a service fee. For the period, the service fee is based on an annual rate of .10% of Service Class' average net assets and .25% of Service Class 2's average net assets.

For the period, total fees, all of which were re-allowed to insurance companies for the distribution of shares and providing shareholder support services, were as follows:

Service Class	\$ 613,249
Service Class 2	14,411,261
	<u>\$15,024,510</u>

Transfer Agent Fees. Fidelity Investments Institutional Operations Company, Inc. (FIIOC), an affiliate of the investment adviser, is the Fund's transfer, dividend disbursing, and shareholder servicing agent. FIIOC receives an asset-based fee with respect to each class. Each class pays a fee for transfer agent services, typesetting and printing and mailing of shareholder reports, excluding mailing of proxy statements, equal to an annual rate of class-level average net assets. The annual rate for Investor Class is .15% and the annual rate for all other classes is .07%. For the period, transfer agent fees for each class were as follows:

Initial Class	\$ 912,006
Service Class	396,615
Service Class 2	3,727,694
Investor Class	945,424
	<u>\$5,981,739</u>

Accounting and Security Lending Fees. Fidelity Service Company, Inc. (FSC), an affiliate of the investment adviser, maintains the Fund's accounting records. The accounting fee is based on the level of average net assets for each month. Under a separate contract, FSC administers the security lending program. The security lending fee is based on the number and duration of lending transactions. For the period, the fees were equivalent to an annual rate of .01%.

Brokerage Commissions. The Fund placed a portion of its portfolio transactions with brokerage firms which are affiliates of the investment adviser. Brokerage commissions are included in net realized gain (loss) and change in net unrealized appreciation (depreciation) in the Statement of Operations. The commissions paid to these affiliated firms were \$153,347 for the period.

Interfund Lending Program. Pursuant to an Exemptive Order issued by the SEC, the Fund, along with other registered investment companies having management contracts with Fidelity Management & Research Company (FMR) or other affiliated entities of FMR, may participate in an interfund lending program. This program provides an alternative credit facility allowing the funds

to borrow from, or lend money to, other participating affiliated funds. At period end, there were no interfund loans outstanding. The Fund's activity in this program during the period for which loans were outstanding was as follows:

Borrower or Lender	Average Loan Balance	Weighted Average Interest Rate	Interest Expense
Borrower	\$6,605,921	2.01%	\$32,804

Interfund Trades. The Fund may purchase from or sell securities to other Fidelity Funds under procedures adopted by the Board. The procedures have been designed to ensure these interfund trades are executed in accordance with Rule 17a-7 of the 1940 Act. Interfund trades are included within the respective purchases and sales amounts shown in the Purchases and Sales of Investments note.

Other. During the period, the investment adviser reimbursed the Fund for certain losses in the amount of \$7,746.

6. Committed Line of Credit.

The Fund participates with other funds managed by the investment adviser or an affiliate in a \$4.25 billion credit facility (the "line of credit") to be utilized for temporary or emergency purposes to fund shareholder redemptions or for other short-term liquidity purposes. The Fund has agreed to pay commitment fees on its pro-rata portion of the line of credit, which amounted to \$23,732 and is reflected in Miscellaneous expenses on the Statement of Operations. During the period, the Fund did not borrow on this line of credit.

7. Security Lending.

The Fund lends portfolio securities through a lending agent from time to time in order to earn additional income. For equity securities, a lending agent is used and may loan securities to certain qualified borrowers, including Fidelity Capital Markets (FCM), a broker-dealer affiliated with the Fund. On the settlement date of the loan, the Fund receives collateral (in the form of U.S. Treasury obligations, letters of credit and/or cash) against the loaned securities and maintains collateral in an amount not less than 100% of the market value of the loaned securities during the period of the loan. The market value of the loaned securities is determined at the close of business of the Fund and any additional required collateral is delivered to the Fund on the next business day. The Fund or borrower may terminate the loan at any time, and if the borrower defaults on its obligation to return the securities loaned because of insolvency or other reasons, the Fund may apply collateral received from the borrower against the obligation. The Fund may experience delays and costs in recovering the securities loaned. Any cash collateral received is invested in the Fidelity Securities Lending Cash Central Fund. The value of loaned securities and cash collateral at period end are disclosed on the Fund's Statement of Assets and Liabilities. At period end, there were no security loans outstanding with FCM. Security lending income represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities. Security lending income is presented in the Statement of Operations as a component of income from Fidelity Central Funds. Total security lending income during the period amounted to \$341,372, including \$6,739 from securities loaned to FCM.

8. Expense Reductions.

Commissions paid to certain brokers with whom the investment adviser, or its affiliates, places trades on behalf of the Fund include an amount in addition to trade execution, which may be rebated back to the Fund to offset certain expenses. This amount totaled \$415,999 for the period.

In addition, during the period the investment adviser reimbursed and/or waived a portion of fund-level operating expenses in the amount of \$87,788.

9. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Year ended December 31, 2018	Year ended December 31, 2017
Distributions to shareholders		
Initial Class	\$130,588,444	\$ —
Service Class	55,957,161	—
Service Class 2	538,053,244	—
Investor Class	58,838,688	—
Total	<u>\$783,437,537</u>	<u>\$ —</u>
From net investment income		
Initial Class	\$ —	\$ 9,718,414
Service Class	—	3,666,055
Service Class 2	—	28,439,685
Investor Class	—	3,885,068
Total	<u>\$ —</u>	<u>\$ 45,709,222</u>
From net realized gain		
Initial Class	\$ —	\$ 63,886,220

Notes to Financial Statements – continued

	Year ended December 31, 2018	Year ended December 31, 2017
Service Class	–	26,951,072
Service Class 2	–	276,605,196
Investor Class	–	27,342,666
Total	<u>\$ –</u>	<u>\$394,785,154</u>

10. Share Transactions.

Transactions for each class of shares were as follows:

	Shares Year ended December 31, 2018	Shares Year ended December 31, 2017	Dollars Year ended December 31, 2018	Dollars Year ended December 31, 2017
Initial Class				
Shares sold	2,294,740	3,952,417	\$ 80,031,412	\$ 137,971,182
Reinvestment of distributions	3,784,446	2,099,113	130,588,444	73,604,634
Shares redeemed	<u>(5,854,418)</u>	<u>(8,500,502)</u>	<u>(212,748,287)</u>	<u>(303,303,706)</u>
Net increase (decrease)	<u>224,768</u>	<u>(2,448,972)</u>	<u>\$ (2,128,431)</u>	<u>\$ (91,727,890)</u>
Service Class				
Shares sold	977,622	1,012,778	\$ 34,774,687	\$ 35,927,536
Reinvestment of distributions	1,635,455	881,418	55,957,161	30,617,127
Shares redeemed	<u>(2,067,819)</u>	<u>(2,385,726)</u>	<u>(75,042,884)</u>	<u>(84,637,226)</u>
Net increase (decrease)	<u>545,258</u>	<u>(491,530)</u>	<u>\$ 15,688,964</u>	<u>\$ (18,092,563)</u>
Service Class 2				
Shares sold	7,063,298	6,433,582	\$ 241,631,875	\$ 221,648,957
Reinvestment of distributions	16,056,436	8,992,050	538,053,244	305,044,881
Shares redeemed	<u>(28,873,961)</u>	<u>(28,734,686)</u>	<u>(1,014,808,988)</u>	<u>(991,975,956)</u>
Net increase (decrease)	<u>(5,754,227)</u>	<u>(13,309,054)</u>	<u>\$ (235,123,869)</u>	<u>\$ (465,282,118)</u>
Investor Class				
Shares sold	821,947	921,541	\$ 29,845,088	\$ 32,648,839
Reinvestment of distributions	1,714,198	895,486	58,838,688	31,227,734
Shares redeemed	<u>(1,860,577)</u>	<u>(1,418,346)</u>	<u>(66,661,448)</u>	<u>(50,511,304)</u>
Net increase (decrease)	<u>675,568</u>	<u>398,681</u>	<u>\$ 22,022,328</u>	<u>\$ 13,365,269</u>

11. Other.

The Fund's organizational documents provide former and current trustees and officers with a limited indemnification against liabilities arising in connection with the performance of their duties to the Fund. In the normal course of business, the Fund may also enter into contracts that provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown as this would be dependent on future claims that may be made against the Fund. The risk of material loss from such claims is considered remote.

At the end of the period, the investment adviser or its affiliates were the owners of record of 11% of the total outstanding shares of the Fund.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Variable Insurance Products Fund III and Shareholders of VIP Mid Cap Portfolio:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of VIP Mid Cap Portfolio (one of the funds constituting Variable Insurance Products Fund III, referred to hereafter as the "Fund") as of December 31, 2018, the related statement of operations for the year ended December 31, 2018, the statement of changes in net assets for each of the two years in the period ended December 31, 2018, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2018 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2018, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2018 and the financial highlights for each of the five years in the period ended December 31, 2018 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2018 by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Boston, Massachusetts
February 11, 2019

We have served as the auditor of one or more investment companies in the Fidelity group of funds since 1932.

Trustees and Officers

The Trustees, Members of the Advisory Board (if any), and officers of the trust and fund, as applicable, are listed below. The Board of Trustees governs the fund and is responsible for protecting the interests of shareholders. The Trustees are experienced executives who meet periodically throughout the year to oversee the fund's activities, review contractual arrangements with companies that provide services to the fund, oversee management of the risks associated with such activities and contractual arrangements, and review the fund's performance. Except for Michael E. Wiley, each of the Trustees oversees 283 funds. Mr. Wiley oversees 192 funds.

The Trustees hold office without limit in time except that (a) any Trustee may resign; (b) any Trustee may be removed by written instrument, signed by at least two-thirds of the number of Trustees prior to such removal; (c) any Trustee who requests to be retired or who has become incapacitated by illness or injury may be retired by written instrument signed by a majority of the other Trustees; and (d) any Trustee may be removed at any special meeting of shareholders by a two-thirds vote of the outstanding voting securities of the trust. Each Trustee who is not an interested person (as defined in the 1940 Act) of the trust and the fund is referred to herein as an Independent Trustee. Each Independent Trustee shall retire not later than the last day of the calendar year in which his or her 75th birthday occurs. The Independent Trustees may waive this mandatory retirement age policy with respect to individual Trustees. Officers and Advisory Board Members hold office without limit in time, except that any officer or Advisory Board Member may resign or may be removed by a vote of a majority of the Trustees at any regular meeting or any special meeting of the Trustees. Except as indicated, each individual has held the office shown or other offices in the same company for the past five years.

The fund's Statement of Additional Information (SAI) includes more information about the Trustees. To request a free copy, call Fidelity at 1-877-208-0098.

Experience, Skills, Attributes, and Qualifications of the Trustees. The Governance and Nominating Committee has adopted a statement of policy that describes the experience, qualifications, attributes, and skills that are necessary and desirable for potential Independent Trustee candidates (Statement of Policy). The Board believes that each Trustee satisfied at the time he or she was initially elected or appointed a Trustee, and continues to satisfy, the standards contemplated by the Statement of Policy. The Governance and Nominating Committee also engages professional search firms to help identify potential Independent Trustee candidates who have the experience, qualifications, attributes, and skills consistent with the Statement of Policy. From time to time, additional criteria based on the composition and skills of the current Independent Trustees, as well as experience or skills that may be appropriate in light of future changes to board composition, business conditions, and regulatory or other developments, have also been considered by the professional search firms and the Governance and Nominating Committee. In addition, the Board takes into account the Trustees' commitment and participation in Board and committee meetings, as well as their leadership of standing and ad hoc committees throughout their tenure.

In determining that a particular Trustee was and continues to be qualified to serve as a Trustee, the Board has considered a variety of criteria, none of which, in isolation, was controlling. The Board believes that, collectively, the Trustees have balanced and diverse experience, qualifications, attributes, and skills, which allow the Board to operate effectively in governing the fund and protecting the interests of shareholders. Information about the specific experience, skills, attributes, and qualifications of each Trustee, which in each case led to the Board's conclusion that the Trustee should serve (or continue to serve) as a trustee of the fund, is provided below.

Board Structure and Oversight Function. James C. Curvey is an interested person and currently serves as Chairman. The Trustees have determined that an interested Chairman is appropriate and benefits shareholders because an interested Chairman has a personal and professional stake in the quality and continuity of services provided to the fund. Independent Trustees exercise their informed business judgment to appoint an individual of their choosing to serve as Chairman, regardless of whether the Trustee happens to be independent or a member of management. The Independent Trustees have determined that they can act independently and effectively without having an Independent Trustee serve as Chairman and that a key structural component for assuring that they are in a position to do so is for the Independent Trustees to constitute a substantial majority for the Board. The Independent Trustees also regularly meet in executive session. Ned C. Lautenbach serves as Chairman of the Independent Trustees and as such (i) acts as a liaison between the Independent Trustees and management with respect to matters important to the Independent Trustees and (ii) with management prepares agendas for Board meetings.

Fidelity® funds are overseen by different Boards of Trustees. The fund's Board oversees Fidelity's high income and certain equity funds, and other Boards oversee Fidelity's investment-grade bond, money market, asset allocation, and other equity funds. The asset allocation funds may invest in Fidelity® funds overseen by the fund's Board. The use of separate Boards, each with its own committee structure, allows the Trustees of each group of Fidelity® funds to focus on the unique issues of the funds they oversee, including common research, investment, and operational issues. On occasion, the separate Boards establish joint committees to address issues of overlapping consequences for the Fidelity® funds overseen by each Board.

The Trustees operate using a system of committees to facilitate the timely and efficient consideration of all matters of importance to the Trustees, the fund, and fund shareholders and to facilitate compliance with legal and regulatory requirements and oversight of the fund's activities and associated risks. The Board, acting through its committees, has charged FMR and its affiliates with (i) identifying events or circumstances the occurrence of which could have demonstrably adverse effects on the fund's business and/or reputation; (ii) implementing processes and controls to lessen the possibility that such events or circumstances occur or to mitigate the effects of such events or circumstances if they do occur; and (iii) creating and maintaining a system designed to evaluate continuously business and market conditions in order to facilitate the identification and implementation processes described in (i) and (ii) above. Because the day-to-day operations and activities of the fund are carried out by or through FMR, its affiliates, and other service providers, the fund's exposure to risks is mitigated but not eliminated by the processes overseen by the Trustees. While each of the Board's committees has responsibility for overseeing different aspects of the fund's activities, oversight is exercised primarily through the Operations, Audit, and Compliance Committees. In addition, the Independent Trustees have worked with Fidelity to enhance the Board's oversight of investment and financial risks, legal and regulatory risks, technology risks, and operational risks, including the development of additional risk reporting to the Board. Appropriate personnel, including but not limited to the fund's Chief Compliance Officer (CCO), FMR's internal auditor, the independent accountants, the fund's Treasurer and portfolio management personnel, make periodic reports to the Board's committees, as appropriate, including an annual review of Fidelity's risk management program for the Fidelity® funds. The responsibilities of each standing committee, including their oversight responsibilities, are described further under "Standing Committees of the Trustees."

Interested Trustees*:

Correspondence intended for a Trustee who is an interested person may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

James C. Curvey (1935)

Year of Election or Appointment: 2007

Trustee

Chairman of the Board of Trustees

Mr. Curvey also serves as Trustee of other Fidelity® funds. Mr. Curvey is Vice Chairman (2007-present) and Director of FMR LLC (diversified financial services company). In addition, Mr. Curvey is an Overseer Emeritus for the Boston Symphony Orchestra, a Director of Artis-Naples, and a Trustee of Brewster Academy in Wolfeboro, New Hampshire. Previously, Mr. Curvey served as a Director of Fidelity Research & Analysis Co. (investment adviser firm, 2009-2018), Director of Fidelity Investments Money Management, Inc. (investment adviser firm, 2009-2014) and a Director of FMR and FMR Co., Inc. (investment adviser firms, 2007-2014).

* Determined to be an "Interested Trustee" by virtue of, among other things, his or her affiliation with the trust or various entities under common control with FMR.

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Independent Trustees:

Correspondence intended for an Independent Trustee may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Dennis J. Dirks (1948)

Year of Election or Appointment: 2005

Trustee

Mr. Dirks also serves as Trustee of other Fidelity® funds. Prior to his retirement in May 2003, Mr. Dirks was Chief Operating Officer and a member of the Board of The Depository Trust & Clearing Corporation (DTCC). He also served as President, Chief Operating Officer, and Board member of The Depository Trust Company (DTC) and President and Board member of the National Securities Clearing Corporation (NSCC). In addition, Mr. Dirks served as Chief Executive Officer and Board member of the Government Securities Clearing Corporation, Chief Executive Officer and Board member of the Mortgage-Backed Securities Clearing Corporation, as a Trustee and a member of the Finance Committee of Manhattan College (2005-2008), as a Trustee and a member of the Finance Committee of AHRC of Nassau County (2006-2008), as a member of the Independent Directors Council (IDC) Governing Council (2010-2015), and as a member of the Board of Directors for The Brookville Center for Children's Services, Inc. (2009-2017). Mr. Dirks is a member of the Finance Committee (2016-present) and Board of Directors (2017-present) and is Treasurer (2018-present) of the Asolo Repertory Theatre.

Donald F. Donahue (1950)

Year of Election or Appointment: 2018

Trustee

Mr. Donahue also serves as a Trustee of other Fidelity® funds. Mr. Donahue is President and Chief Executive Officer of Miranda Partners, LLC (risk consulting for the financial services industry, 2012-present). Previously, Mr. Donahue served as a Member of the Advisory Board of certain Fidelity® funds (2015-2018) and Chief Executive Officer (2006-2012), Chief Operating Officer (2003-2006), and Managing Director, Customer Marketing and Development (1999-2003) of The Depository Trust & Clearing Corporation (financial markets infrastructure). Mr. Donahue serves as a Member (2007-present) and Co-Chairman (2016-present) of the Board of Directors of United Way of New York, Member of the Board of Directors of NYC Leadership Academy (2012-present) and Member of the Board of Advisors of Ripple Labs, Inc. (financial services, 2015-present). He also served as Chairman (2010-2012) and Member of the Board of Directors (2012-2013) of Omgeo, LLC (financial services), Treasurer of United Way of New York (2012-2016), and Member of the Board of Directors of XBRL US (financial services non-profit, 2009-2012) and the International Securities Services Association (2009-2012).

Alan J. Lacy (1953)

Year of Election or Appointment: 2008

Trustee

Mr. Lacy also serves as Trustee of other Fidelity® funds. Mr. Lacy serves as a Director of Bristol-Myers Squibb Company (global pharmaceuticals, 2008-present). He is a Trustee of the California Chapter of The Nature Conservancy (2015-present) and a Director of the Center for Advanced Study in the Behavioral Sciences at Stanford University (2015-present). In addition, Mr. Lacy served as Senior Adviser (2007-2014) of Oak Hill Capital Partners, L.P. (private equity) and also served as Chief Executive Officer (2005) and Vice Chairman (2005-2006) of Sears Holdings Corporation (retail) and Chief Executive Officer and Chairman of the Board of Sears, Roebuck and Co. (retail, 2000-2005). Previously, Mr. Lacy served as Chairman (2014-2017) and a member (2010-2017) of the Board of Directors of Dave & Buster's Entertainment, Inc. (restaurant and entertainment complexes), as Chairman (2008-2011) and a member (2006-2015) of the Board of Trustees of the National Parks Conservation Association, and as a member of the Board of Directors for The Hillman Companies, Inc. (hardware wholesalers, 2010-2014), Earth Fare, Inc. (retail grocery, 2010-2014), and The Western Union Company (global money transfer, 2006-2011).

Trustees and Officers – continued

Ned C. Lautenbach (1944)

Year of Election or Appointment: 2000

Trustee

Chairman of the Independent Trustees

Mr. Lautenbach also serves as Trustee of other Fidelity® funds. Mr. Lautenbach currently serves as Chair (2018-present) and Member (2013-present) of the Board of Governors, State University System of Florida and is a member of the Council on Foreign Relations (1994-present). He is also a member and has most recently served as Chairman of the Board of Directors of Artis-Naples (2012-present). Previously, Mr. Lautenbach served as a member and then Lead Director of the Board of Directors of Eaton Corporation (diversified industrial, 1997-2016). He was also a Partner and Advisory Partner at Clayton, Dubilier & Rice, LLC (private equity investment, 1998-2010), as well as a Director of Sony Corporation (2006-2007). In addition, Mr. Lautenbach also had a 30-year career with IBM (technology company) during which time he served as Senior Vice President and a member of the Corporate Executive Committee (1968-1998).

Joseph Mauriello (1944)

Year of Election or Appointment: 2008

Trustee

Mr. Mauriello also serves as Trustee of other Fidelity® funds. Prior to his retirement in January 2006, Mr. Mauriello served in numerous senior management positions including Deputy Chairman and Chief Operating Officer (2004-2005), and Vice Chairman of Financial Services (2002-2004) of KPMG LLP US (professional services, 1965-2005). Mr. Mauriello currently serves as a member of the Independent Directors Council (IDC) Governing Council (2015-present). Previously, Mr. Mauriello served as a member of the Board of Directors of XL Group plc. (global insurance and re-insurance, 2006-2018).

Cornelia M. Small (1944)

Year of Election or Appointment: 2005

Trustee

Ms. Small also serves as Trustee of other Fidelity® funds. Ms. Small is a member of the Board of Directors (2009-present) and Chair of the Investment Committee (2010-present) of the Teagle Foundation. Ms. Small also serves on the Investment Committee of the Berkshire Taconic Community Foundation (2008-present). Previously, Ms. Small served as Chairperson (2002-2008) and a member of the Investment Committee and Chairperson (2008-2012) and a member of the Board of Trustees of Smith College. In addition, Ms. Small served as Chief Investment Officer, Director of Global Equity Investments, and a member of the Board of Directors of Scudder, Stevens & Clark and Scudder Kemper Investments.

Garnett A. Smith (1947)

Year of Election or Appointment: 2018

Trustee

Mr. Smith also serves as Trustee of other Fidelity® funds. Prior to Mr. Smith's retirement, he served as Chairman and Chief Executive Officer of Inbrand Corp. (manufacturer of personal absorbent products, 1990-1997). He also served as President (1986-1990) of Inbrand Corp. Prior to his employment with Inbrand Corp., he was employed by a retail fabric chain and North Carolina National Bank. In addition, Mr. Smith served as a Member of the Advisory Board of certain Fidelity® funds (2012-2013) and as a board member of the Jackson Hole Land Trust (2009-2012).

David M. Thomas (1949)

Year of Election or Appointment: 2008

Trustee

Mr. Thomas also serves as Trustee of other Fidelity® funds. Mr. Thomas serves as Non-Executive Chairman of the Board of Directors of Fortune Brands Home and Security (home and security products, 2011-present) and as a member of the Board of Directors (2004-present) and Presiding Director (2013-present) of Interpublic Group of Companies, Inc. (marketing communication). Previously, Mr. Thomas served as Executive Chairman (2005-2006) and Chairman and Chief Executive Officer (2000-2005) of IMS Health, Inc. (pharmaceutical and healthcare information solutions), a Director of Fortune Brands, Inc. (consumer products, 2000-2011), and a member of the Board of Trustees of the University of Florida (2013-2018).

Michael E. Wiley (1950)

Year of Election or Appointment: 2018

Trustee

Mr. Wiley also serves as Trustee or Member of the Advisory Board of other Fidelity® funds. Mr. Wiley serves as a Director of High Point Resources (exploration and production, 2005-present). Previously, Mr. Wiley served as a Director of Andeavor Corporation (independent oil refiner and marketer, 2005-2018), a Director of Andeavor Logistics LP (natural resources logistics, 2015-2018), a Director of Post Oak Bank (privately-held bank, 2004-2018), a Director of Asia Pacific Exploration Consolidated (international oil and gas exploration and production, 2008-2013), a member of the Board of Trustees of the University of Tulsa (2000-2006; 2007-2010), a Senior Energy Advisor of Katzenbach Partners, LLC (consulting, 2006-2007), an Advisory Director of Riverstone Holdings (private investment), a Director of Spinnaker Exploration Company (exploration and production, 2001-2005) and Chairman, President, and CEO of Baker Hughes, Inc. (oilfield services, 2000-2004).

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Advisory Board Members and Officers:

Correspondence intended for a Member of the Advisory Board (if any) may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235. Correspondence intended for an officer or Peter S. Lynch may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210. Officers appear below in alphabetical order.

Name, Year of Birth; Principal Occupation

Vicki L. Fuller (1957)

Year of Election or Appointment: 2018
Member of the Advisory Board

Ms. Fuller also serves as Member of the Advisory Board of other Fidelity® funds. Ms. Fuller serves as a member of the Board of Directors, Audit Committee, and Nominating and Governance Committee of The Williams Companies, Inc. (natural gas infrastructure, 2018-present). Previously, Ms. Fuller served as the Chief Investment Officer of the New York State Common Retirement Fund (2012-2018) and held a variety of positions at AllianceBernstein L.P. (global asset management, 1985-2012), including Managing Director (2006-2012) and Senior Vice President and Senior Portfolio Manager (2001-2006).

Peter S. Lynch (1944)

Year of Election or Appointment: 2003
Member of the Advisory Board

Mr. Lynch also serves as Member of the Advisory Board of other Fidelity® funds. Mr. Lynch is Vice Chairman and a Director of FMR (investment adviser firm) and FMR Co., Inc. (investment adviser firm). In addition, Mr. Lynch serves as a Trustee of Boston College and as the Chairman of the Inner-City Scholarship Fund. Previously, Mr. Lynch served on the Special Olympics International Board of Directors (1997-2006).

Carol B. Tomé (1957)

Year of Election or Appointment: 2018
Member of the Advisory Board

Ms. Tomé also serves as Member of the Advisory Board of other Fidelity® funds. Ms. Tomé is Chief Financial Officer (2001-present) and Executive Vice President of Corporate Services (2007-present) of The Home Depot, Inc. (home improvement retailer) and a Director (2003-present) and Chair of the Audit Committee (2004-present) of United Parcel Service, Inc. (package delivery and supply chain management). Previously, Ms. Tomé served as Trustee of certain Fidelity® funds (2017), Senior Vice President of Finance and Accounting/Treasurer (2000-2007) and Vice President and Treasurer (1995-2000) of The Home Depot, Inc. and Chair of the Board (2010-2012), Vice Chair of the Board (2009 and 2013), and a Director (2008-2013) of the Federal Reserve Bank of Atlanta. Ms. Tomé is also a director or trustee of many community and professional organizations.

Elizabeth Paige Baumann (1968)

Year of Election or Appointment: 2017
Anti-Money Laundering (AML) Officer

Ms. Baumann also serves as AML Officer of other funds. She is Chief AML Officer (2012-present) and Senior Vice President (2014-present) of FMR LLC (diversified financial services company) and is an employee of Fidelity Investments. Previously, Ms. Baumann served as AML Officer of the funds (2012-2016), and Vice President (2007-2014) and Deputy Anti-Money Laundering Officer (2007-2012) of FMR LLC.

Craig S. Brown (1977)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Brown also serves as Assistant Treasurer of other funds. Mr. Brown is an employee of Fidelity Investments (2013-present).

John J. Burke III (1964)

Year of Election or Appointment: 2018
Chief Financial Officer

Mr. Burke also serves as Chief Financial Officer of other funds. Mr. Burke serves as Head of Investment Operations for Fidelity Fund and Investment Operations (2018-present) and is an employee of Fidelity Investments (1998-present). Previously Mr. Burke served as head of Asset Management Investment Operations (2012-2018).

William C. Coffey (1969)

Year of Election or Appointment: 2018
Secretary and Chief Legal Officer (CLO)

Mr. Coffey also serves as Secretary and CLO of other funds. Mr. Coffey serves as CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company and FMR Co., Inc. (investment adviser firms, 2018-present); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2018-present); and CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2018-present). He is Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2010-present), and is an employee of Fidelity Investments. Previously, Mr. Coffey served as Assistant Secretary of certain funds (2009-2018) and as Vice President and Associate General Counsel of FMR LLC (2005-2009).

Trustees and Officers – continued

Timothy M. Cohen (1969)

Year of Election or Appointment: 2018

Vice President

Mr. Cohen also serves as Vice President of other funds. Mr. Cohen serves as Co-Head of Global Equity Research (2016-present), a Director of Fidelity Management & Research (Japan) Limited (investment adviser firm, 2016-present), and is an employee of Fidelity Investments. Previously, Mr. Cohen served as Chief Investment Officer – Equity and a Director of Fidelity Management & Research (U.K.) Inc. (investment adviser firm, 2013-2015) and as a Director of Fidelity Management & Research (Hong Kong) Limited (investment adviser firm, 2017).

Jonathan Davis (1968)

Year of Election or Appointment: 2010

Assistant Treasurer

Mr. Davis also serves as Assistant Treasurer of other funds. Mr. Davis serves as Assistant Treasurer of FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments. Previously, Mr. Davis served as Vice President and Associate General Counsel of FMR LLC (diversified financial services company, 2003-2010).

Adrien E. Deberghes (1967)

Year of Election or Appointment: 2016

Assistant Treasurer

Mr. Deberghes also serves as an officer of other funds. He serves as Assistant Treasurer of FMR Capital, Inc. (2017-present), Executive Vice President of Fidelity Investments Money Management, Inc. (FIMM) (investment adviser firm, 2016-present), and is an employee of Fidelity Investments (2008-present). Previously, Mr. Deberghes served as President and Treasurer of certain Fidelity® funds (2013-2018). Prior to joining Fidelity Investments, Mr. Deberghes was Senior Vice President of Mutual Fund Administration at State Street Corporation (2007-2008), Senior Director of Mutual Fund Administration at Investors Bank & Trust (2005-2007), and Director of Finance for Dunkin' Brands (2000-2005). Previously, Mr. Deberghes served in other fund officer roles.

Laura M. Del Prato (1964)

Year of Election or Appointment: 2018

Assistant Treasurer

Ms. Del Prato also serves as an officer of other funds. Ms. Del Prato is an employee of Fidelity Investments (2017-present). Prior to joining Fidelity Investments, Ms. Del Prato served as a Managing Director and Treasurer of the JPMorgan Mutual Funds (2014-2017). Prior to JPMorgan, Ms. Del Prato served as a partner at Cohen Fund Audit Services (accounting firm, 2012-2013) and KPMG LLP (accounting firm, 2004-2012).

Colm A. Hogan (1973)

Year of Election or Appointment: 2016

Deputy Treasurer

Mr. Hogan also serves as an officer of other funds. Mr. Hogan serves as Assistant Treasurer of FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2005-present). Previously, Mr. Hogan served as Assistant Treasurer of certain Fidelity® funds (2016-2018).

Pamela R. Holding (1964)

Year of Election or Appointment: 2018

Vice President

Ms. Holding also serves as Vice President of other funds. Ms. Holding serves as Co-Head of Global Equity Research (2018-present) and is an employee of Fidelity Investments (2013-present).

Chris Maher (1972)

Year of Election or Appointment: 2013

Assistant Treasurer

Mr. Maher serves as Assistant Treasurer of other funds. Mr. Maher is Vice President of Valuation Oversight, serves as Assistant Treasurer of FMR Capital, Inc. (2017-present), and is an employee of Fidelity Investments. Previously, Mr. Maher served as Vice President of Asset Management Compliance (2013), Vice President of the Program Management Group of FMR (investment adviser firm, 2010-2013), and Vice President of Valuation Oversight (2008-2010).

Kenneth B. Robins (1969)

Year of Election or Appointment: 2016

Chief Compliance Officer

Mr. Robins also serves as an officer of other funds. Mr. Robins serves as Compliance Officer of Fidelity Management & Research Company and FMR Co., Inc. (investment adviser firms, 2016-present) and is an employee of Fidelity Investments (2004-present). Previously, Mr. Robins served as Executive Vice President of Fidelity Investments Money Management, Inc. (investment adviser firm, 2013-2016) and served in other fund officer roles.

Stacie M. Smith (1974)

Year of Election or Appointment: 2016

President and Treasurer

Ms. Smith also serves as an officer of other funds. Ms. Smith serves as Assistant Treasurer of FMR Capital, Inc. (2017-present), is an employee of Fidelity Investments (2009-present), and has served in other fund officer roles. Prior to joining Fidelity Investments, Ms. Smith served as Senior Audit Manager of Ernst & Young LLP (accounting firm, 1996-2009). Previously, Ms. Smith served as Assistant Treasurer (2013-2018) and Deputy Treasurer (2013-2016) of certain Fidelity® funds.

Marc L. Spector (1972)

Year of Election or Appointment: 2016

Assistant Treasurer

Mr. Spector also serves as an officer of other funds. Mr. Spector serves as Assistant Treasurer of FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2016-present). Prior to joining Fidelity Investments, Mr. Spector served as Director at the Siegfried Group (accounting firm, 2013-2016), and prior to Siegfried Group as audit senior manager at Deloitte & Touche (accounting firm, 2005-2013).

Jim Wegmann (1979)

Year of Election or Appointment: 2019

Assistant Treasurer

Mr. Wegmann also serves as Assistant Treasurer of other funds. Mr. Wegmann is an employee of Fidelity Investments (2011-present).

Shareholder Expense Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (July 1, 2018 to December 31, 2018).

Actual Expenses

The first line of the accompanying table for each class of the Fund provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000.00 (for example, an \$8,600 account value divided by \$1,000.00 = 8.6), then multiply the result by the number in the first line for a class of the Fund under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower. In addition, the Fund, as a shareholder in the underlying Fidelity Central Funds, will indirectly bear its pro-rata share of the fees and expenses incurred by the underlying Fidelity Central Funds. These fees and expenses are not included in the Fund's annualized expense ratio used to calculate the expense estimate in the table below.

Hypothetical Example for Comparison Purposes

The second line of the accompanying table for each class of the Fund provides information about hypothetical account values and hypothetical expenses based on a Class' actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Class' actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower. In addition, the Fund, as a shareholder in the underlying Fidelity Central Funds, will indirectly bear its pro-rata share of the fees and expenses incurred by the underlying Fidelity Central Funds. These fees and expenses are not included in the Fund's annualized expense ratio used to calculate the expense estimate in the table below.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.

	Annualized Expense Ratio- ^A	Beginning Account Value July 1, 2018	Ending Account Value December 31, 2018	Expenses Paid During Period- ^B July 1, 2018 to December 31, 2018
Initial Class	.62%			
Actual		\$1,000.00	\$830.00	\$2.86
Hypothetical- ^C		\$1,000.00	\$1,022.08	\$3.16
Service Class	.72%			
Actual		\$1,000.00	\$829.60	\$3.32
Hypothetical- ^C		\$1,000.00	\$1,021.58	\$3.67
Service Class 2	.87%			
Actual		\$1,000.00	\$828.90	\$4.01
Hypothetical- ^C		\$1,000.00	\$1,020.82	\$4.43
Investor Class	.70%			
Actual		\$1,000.00	\$829.60	\$3.23
Hypothetical- ^C		\$1,000.00	\$1,021.68	\$3.57

^A Annualized expense ratio reflects expenses net of applicable fee waivers.

^B Expenses are equal to each Class' annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

^C 5% return per year before expenses

Distributions (Unaudited)

The Board of Trustees of VIP Mid Cap Portfolio voted to pay to shareholders of record at the opening of business on record date, the following distributions per share derived from capital gains realized from sales of portfolio securities, and dividends derived from net investment income:

	Pay Date	Record Date	Dividends	Capital Gains
VIP Mid Cap Portfolio				
Initial Class	02/08/19	02/08/19	\$0.053	\$3.626
Service Class	02/08/19	02/08/19	\$0.048	\$3.626
Service Class 2	02/08/19	02/08/19	\$0.040	\$3.626
Investor Class	02/08/19	02/08/19	\$0.049	\$3.626

The fund hereby designates as a capital gain dividend with respect to the taxable year ended December 31, 2018, \$820,802,810, or, if subsequently determined to be different, the net capital gain of such year.

Initial Class designates 1%, and 100%; Service Class designates 1%, and 100%; Service Class 2 designates 1%, and 100%; and Investor Class designates 1%, and 100%; of the dividends distributed in February and December 2018, respectively during the fiscal year as qualifying for the dividends—received deduction for corporate shareholders.

Board Approval of Investment Advisory Contracts

VIP Mid Cap Portfolio

At its July 2018 meeting, the Board of Trustees, including the Independent Trustees (together, the Board), voted to continue the management contract with Fidelity Management & Research Company (FMR) and the sub-advisory agreements (together, the Advisory Contracts) for the fund for six months through January 31, 2019, in connection with the reunification of the Fidelity Equity High Income Funds Board, which oversees the fund, and the Sector Portfolios Board.

The Board considered that the approval of the fund's Advisory Contracts will not result in any changes in (i) the investment process or strategies employed in the management of the fund's assets; (ii) the fees and expenses paid by shareholders; (iii) the nature, extent or quality of services provided under the fund's Advisory Contracts; or (iv) the day-to-day management of the fund or the persons primarily responsible for such management. The Board concluded that the fund's Advisory Contracts are fair and reasonable, and that the fund's Advisory Contracts should be renewed, without modification, through January 31, 2019, with the understanding that the Board will consider the annual renewal for a full one year period in January 2019.

In connection with its consideration of future renewals of the fund's Advisory Contracts, the Board will consider: (i) the nature, extent and quality of services provided to the fund, including shareholder and administrative services and investment performance; (ii) the competitiveness of the management fee and total expenses for the fund; (iii) the costs of the services and profitability, including the revenues earned and the expenses incurred in conducting the business of developing, marketing, distributing, managing, administering, and servicing the fund and its shareholders, to the extent applicable, as well as potential fall-out benefits from Fidelity's non-fund businesses; and (iv) whether there have been economies of scale in respect of the Fidelity funds, whether the Fidelity funds (including the fund) have appropriately benefited from any such economies of scale, and whether there is the potential for realization of any further economies.

Based on its evaluation of all of the conclusions noted above, and after considering all factors it believed relevant, the Board ultimately concluded that the fund's management fee structure is fair and reasonable, and that the continuation of the fund's Advisory Contracts should be approved.

