

Fidelity® Variable Insurance Products: Asset Manager Portfolio



Semiannual Report
June 30, 2009



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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.

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

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> or <http://www.advisor.fidelity.com>, as applicable.

NOT FDIC INSURED • MAY LOSE VALUE • NO BANK GUARANTEE

Neither the fund nor Fidelity Distributors Corporation is a bank.

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 (January 1, 2009 to June 30, 2009).

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	Beginning Account Value January 1, 2009	Ending Account Value June 30, 2009	Expenses Paid During Period ^A January 1, 2009 to June 30, 2009
Initial Class	.66%			
Actual		\$ 1,000.00	\$ 1,095.70	\$ 3.43
Hypothetical ^A		\$ 1,000.00	\$ 1,021.52	\$ 3.31
Service Class	.79%			
Actual		\$ 1,000.00	\$ 1,095.30	\$ 4.10
Hypothetical ^A		\$ 1,000.00	\$ 1,020.88	\$ 3.96
Service Class 2	.93%			
Actual		\$ 1,000.00	\$ 1,094.30	\$ 4.83
Hypothetical ^A		\$ 1,000.00	\$ 1,020.18	\$ 4.66
Investor Class	.77%			
Actual		\$ 1,000.00	\$ 1,095.00	\$ 4.00
Hypothetical ^A		\$ 1,000.00	\$ 1,020.98	\$ 3.86

^A 5% return per year before expenses

* Expenses are equal to each Class' annualized expense ratio, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period). The fees and expenses of the underlying Fidelity Central Funds in which the Fund invests are not included in the Fund's annualized expense ratio.

Investment Changes (Unaudited)

The information in the following tables is based on the combined investments of the Fund and its pro-rata share of its investments in each of Fidelity's Equity and Fixed-Income Central Funds.

Top Five Stocks as of June 30, 2009

	% of fund's net assets	% of fund's net assets 6 months ago
Wells Fargo & Co.	2.0	0.5
Bank of America Corp.	1.6	0.3
JPMorgan Chase & Co.	1.5	0.3
Express Scripts, Inc.	1.4	0.7
PNC Financial Services Group, Inc.	1.2	0.2
	<u>7.7</u>	

Top Five Bond Issuers as of June 30, 2009

(with maturities greater than one year)	% of fund's net assets	% of fund's net assets 6 months ago
Fannie Mae	13.2	14.5
U.S. Treasury Obligations	8.1	5.6
Freddie Mac	1.6	3.1
Morgan Stanley	0.4	0.5
JP Morgan Chase Commercial Mortgage Securities Trust	0.3	0.2
	<u>23.6</u>	

Top Five Market Sectors as of June 30, 2009

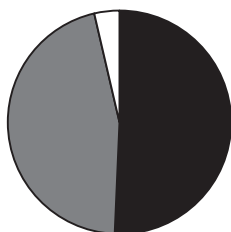
	% of fund's net assets	% of fund's net assets 6 months ago
Financials	20.8	10.6
Consumer Discretionary	8.0	5.9
Energy	8.0	8.8
Information Technology	7.2	3.0
Materials	7.0	3.5

Asset Allocation (% of fund's net assets)

As of June 30, 2009 *

■ Stock Class and Equity Futures	50.7%
■ Bond Class	45.7%
□ Short-Term Class	3.6%

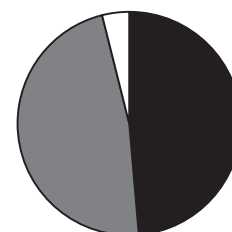
* Foreign investments 17.5%



As of December 31, 2008 **

■ Stock Class and Equity Futures	48.6%
■ Bond Class	47.5%
□ Short-Term Class	3.9%

** Foreign investments 12.9%



Asset allocations in the pie charts reflect the categorization of assets as defined in the fund's prospectus in effect as of the time periods indicated above. Financial Statement categorizations conform to accounting standards and will differ from the pie chart. Percentages are adjusted for the effect of futures contracts and swap contracts, if applicable.

A holdings listing for the Fund, which presents direct holdings as well as the pro-rata share of securities and other investments held indirectly through its investment in underlying non-money market Fidelity Central Funds, is available at advisor.fidelity.com.

Investments June 30, 2009 (Unaudited)

Showing Percentage of Net Assets

Common Stocks – 45.3%

	Shares	Value
CONSUMER DISCRETIONARY – 5.2%		
Auto Components – 0.7%		
Autoliv, Inc.	132,900	\$ 3,823,533
Magna International, Inc. Class A (sub. vtg.)	47,200	2,002,682
The Goodyear Tire & Rubber Co. (a) ...	230,900	2,599,934
		<u>8,426,149</u>
Automobiles – 0.1%		
Ford Motor Co. (a)	300,900	1,826,463
Hotels, Restaurants & Leisure – 0.2%		
Ctrip.com International Ltd. sponsored ADR	64,200	2,972,460
Household Durables – 0.3%		
Gafisa SA sponsored ADR (a)(d)	239,200	3,946,800
Internet & Catalog Retail – 1.2%		
Amazon.com, Inc. (a)	131,400	10,992,924
Priceline.com, Inc. (a)	29,100	3,246,105
		<u>14,239,029</u>
Media – 0.5%		
The DIRECTV Group, Inc. (a)	225,500	5,572,105
Multiline Retail – 0.7%		
Target Corp.	204,300	8,063,721
Specialty Retail – 1.5%		
Abercrombie & Fitch Co. Class A	68,700	1,744,293
American Eagle Outfitters, Inc.	59,000	836,030
Best Buy Co., Inc.	55,200	1,848,648
Gamestop Corp. Class A (a)	48,100	1,058,681
Lowe's Companies, Inc.	353,700	6,865,317
Staples, Inc.	91,700	1,849,589
TJX Companies, Inc.	127,100	3,998,566
		<u>18,201,124</u>
TOTAL CONSUMER DISCRETIONARY		<u>63,247,851</u>
CONSUMER STAPLES – 1.1%		
Food & Staples Retailing – 0.8%		
Costco Wholesale Corp.	184,500	8,431,650
Wal-Mart Stores, Inc.	41,500	2,010,260
		<u>10,441,910</u>
Food Products – 0.2%		
Corn Products International, Inc.	80,400	2,153,916
Personal Products – 0.1%		
Hengan International Group Co. Ltd. ...	204,000	955,522
TOTAL CONSUMER STAPLES		<u>13,551,348</u>
ENERGY – 5.4%		
Energy Equipment & Services – 2.4%		
Noble Corp.	169,500	5,127,375
Oceaneering International, Inc. (a)	26,100	1,179,720
Schlumberger Ltd. (NY Shares)	92,500	5,005,175

	Shares	Value
Transocean Ltd. (a)	153,200	\$ 11,381,228
Weatherford International Ltd. (a)	286,300	5,600,028
		<u>28,293,526</u>
Oil, Gas & Consumable Fuels – 3.0%		
Apache Corp.	24,200	1,746,030
Chesapeake Energy Corp.	305,130	6,050,728
China Shenhua Energy Co. Ltd. (H Shares)	628,100	2,313,869
Concho Resources, Inc. (a)	93,300	2,676,777
EOG Resources, Inc.	24,300	1,650,456
EXCO Resources, Inc. (a)	78,500	1,014,220
Hess Corp.	44,200	2,375,750
Occidental Petroleum Corp.	76,100	5,008,141
Petro-Canada	85,400	3,298,227
PT Bumi Resources Tbk	2,079,300	378,887
Range Resources Corp.	32,400	1,341,684
Southwestern Energy Co. (a)	156,000	6,060,600
Suncor Energy, Inc.	44,100	1,341,086
Ultra Petroleum Corp. (a)	27,200	1,060,800
		<u>36,317,255</u>
TOTAL ENERGY		<u>64,610,781</u>
FINANCIALS – 13.3%		
Capital Markets – 3.4%		
Deutsche Bank AG (NY Shares)	192,900	11,766,900
Goldman Sachs Group, Inc.	57,300	8,448,312
Morgan Stanley	420,200	11,979,902
State Street Corp.	121,900	5,753,680
The Blackstone Group LP	283,700	2,990,198
		<u>40,938,992</u>
Commercial Banks – 3.7%		
China Construction Bank Corp. (H Shares)	2,812,000	2,180,689
Industrial & Commercial Bank of China Ltd.	3,258,000	2,270,120
PNC Financial Services Group, Inc. ...	367,600	14,266,556
U.S. Bancorp, Delaware	83,500	1,496,320
Wells Fargo & Co.	1,001,300	24,291,538
		<u>44,505,223</u>
Consumer Finance – 0.1%		
SLM Corp. (a)	75,400	774,358
Diversified Financial Services – 4.6%		
Apollo Global Management LLC (a)(e) .	315,200	1,103,200
Bank of America Corp.	1,495,701	19,743,253
BM&F BOVESPA SA	174,200	1,040,637
CME Group, Inc.	19,200	5,973,312
Hong Kong Exchange & Clearing Ltd. .	182,500	2,842,327
IntercontinentalExchange, Inc. (a)	58,900	6,728,736
JPMorgan Chase & Co.	521,600	17,791,776
		<u>55,223,241</u>
Insurance – 1.5%		
Assured Guaranty Ltd.	85,900	1,063,442

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

Investments (Unaudited) – continued

Common Stocks – continued

	Shares	Value
FINANCIALS – continued		
Insurance – continued		
Hartford Financial Services Group, Inc.	225,000	\$ 2,670,750
Lincoln National Corp.	265,500	4,569,255
MBIA, Inc. (a)(d)	197,900	856,907
Principal Financial Group, Inc.	60,000	1,130,400
Prudential Financial, Inc.	47,800	1,779,116
XL Capital Ltd. Class A	481,200	5,514,552
		<u>17,584,422</u>
Real Estate Investment Trusts – 0.0%		
Host Hotels & Resorts, Inc.	75,800	635,962
Simon Property Group, Inc.	571	29,367
		<u>665,329</u>
TOTAL FINANCIALS		<u>159,691,565</u>
HEALTH CARE – 4.9%		
Biotechnology – 2.3%		
Cephalon, Inc. (a)	50,200	2,843,830
Dendreon Corp. (a)	68,600	1,704,710
Gilead Sciences, Inc. (a)	193,100	9,044,804
Myriad Genetics, Inc. (a)	148,700	5,301,155
Myriad Pharmaceuticals, Inc. (a)	2,625	12,206
United Therapeutics Corp. (a)	45,900	3,824,847
Vertex Pharmaceuticals, Inc. (a)	131,000	4,668,840
		<u>27,400,392</u>
Health Care Equipment & Supplies – 0.2%		
Covidien PLC	44,900	1,681,056
Health Care Providers & Services – 1.9%		
Express Scripts, Inc. (a)	239,200	16,445,000
Humana, Inc. (a)	118,900	3,835,714
Medco Health Solutions, Inc. (a)	66,000	3,010,260
		<u>23,290,974</u>
Health Care Technology – 0.2%		
Cerner Corp. (a)	43,200	2,690,928
Life Sciences Tools & Services – 0.3%		
Illumina, Inc. (a)	63,500	2,472,690
Life Technologies Corp. (a)	33,200	1,385,104
		<u>3,857,794</u>
Pharmaceuticals – 0.0%		
Elan Corp. PLC sponsored ADR (a)	67,800	431,886
TOTAL HEALTH CARE		<u>59,353,030</u>
INDUSTRIALS – 2.9%		
Aerospace & Defense – 0.1%		
AeroVironment, Inc. (a)	35,700	1,101,702
Airlines – 1.2%		
AMR Corp. (a)	368,800	1,482,576

	Shares	Value
Continental Airlines, Inc. Class B (a) ...	260,100	\$ 2,304,486
Delta Air Lines, Inc. (a)	1,935,425	11,206,111
		<u>14,993,173</u>
Electrical Equipment – 0.4%		
Energy Conversion Devices, Inc. (a)	85,500	1,209,825
First Solar, Inc. (a)	23,000	3,728,760
		<u>4,938,585</u>
Industrial Conglomerates – 0.3%		
Textron, Inc.	329,400	3,182,004
Road & Rail – 0.9%		
CSX Corp.	124,800	4,321,824
Union Pacific Corp.	118,600	6,174,316
		<u>10,496,140</u>
TOTAL INDUSTRIALS		<u>34,711,604</u>
INFORMATION TECHNOLOGY – 6.3%		
Communications Equipment – 2.1%		
Cisco Systems, Inc. (a)	214,500	3,998,280
Juniper Networks, Inc. (a)	184,500	4,354,200
QUALCOMM, Inc.	169,600	7,665,920
Research In Motion Ltd. (a)	81,900	5,818,995
Riverbed Technology, Inc. (a)	133,300	3,091,227
		<u>24,928,622</u>
Computers & Peripherals – 1.1%		
Apple, Inc. (a)	88,800	12,647,784
HTC Corp.	41,000	578,941
		<u>13,226,725</u>
Internet Software & Services – 1.9%		
Baidu.com, Inc. sponsored ADR (a)	20,900	6,292,781
Equinix, Inc. (a)	31,100	2,262,214
Google, Inc. Class A (sub. vtg.) (a)	7,600	3,204,084
Mercadolibre, Inc. (a)(d)	126,200	3,392,256
NetEase.com, Inc. sponsored ADR (a) ..	49,400	1,737,892
Tencent Holdings Ltd.	483,400	5,641,819
		<u>22,531,046</u>
IT Services – 0.4%		
Visa, Inc.	82,500	5,136,450
Semiconductors & Semiconductor Equipment – 0.1%		
Intel Corp.	80,600	1,333,930
Software – 0.7%		
BMC Software, Inc. (a)	80,700	2,726,853
Citrix Systems, Inc. (a)	120,900	3,855,501
Microsoft Corp.	81,400	1,934,878
		<u>8,517,232</u>
TOTAL INFORMATION TECHNOLOGY		<u>75,674,005</u>
MATERIALS – 5.2%		
Chemicals – 3.0%		
Ashland, Inc.	124,800	3,500,640
CF Industries Holdings, Inc.	18,000	1,334,520

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

Common Stocks – continued

	Shares	Value
MATERIALS – continued		
Chemicals – continued		
Dow Chemical Co.	600,100	\$ 9,685,614
E.I. du Pont de Nemours & Co.	97,400	2,495,388
FMC Corp.	107,200	5,070,560
Potash Corp. of Saskatchewan, Inc.	10,500	979,404
Rockwood Holdings, Inc. (a)	124,700	1,825,608
Terra Industries, Inc.	265,600	6,432,832
The Mosaic Co.	113,600	5,032,480
		<u>36,357,046</u>
Construction Materials – 0.1%		
Vulcan Materials Co.	30,100	1,297,310
Containers & Packaging – 0.3%		
Owens-Illinois, Inc. (a)	68,600	1,921,486
Sealed Air Corp.	84,100	1,551,645
		<u>3,473,131</u>
Metals & Mining – 1.8%		
Agnico-Eagle Mines Ltd. (Canada)	76,700	4,040,417
Alcoa, Inc.	426,400	4,404,712
Barrick Gold Corp.	26,400	888,625
Freeport-McMoRan Copper & Gold, Inc. Class B	106,700	5,346,737
Impala Platinum Holdings Ltd.	139,800	3,090,049
United States Steel Corp.	91,000	3,252,340
		<u>21,022,880</u>
TOTAL MATERIALS		<u>62,150,367</u>
TELECOMMUNICATION SERVICES – 1.0%		
Diversified Telecommunication Services – 0.2%		
China Telecom Corp. Ltd. sponsored ADR	44,400	2,209,344
Wireless Telecommunication Services – 0.8%		
Sprint Nextel Corp. (a)	1,438,300	6,918,223
Vivo Participacoes SA sponsored ADR .	132,500	2,509,550
		<u>9,427,773</u>
TOTAL TELECOMMUNICATION SERVICES		<u>11,637,117</u>
TOTAL COMMON STOCKS		
(Cost \$499,536,899)		544,627,668
International Equity Funds – 5.7%		
Fidelity Emerging Markets Equity Central Fund (f)	114,736	16,192,692
Fidelity International Equity Central Fund (f)	948,057	52,190,513
TOTAL INTERNATIONAL EQUITY FUNDS		
(Cost \$104,041,709)		68,383,205

Fixed-Income Funds – 46.9%

	Shares	Value
Fidelity Floating Rate Central Fund (f) .	222,538	\$ 18,715,463
Fidelity High Income Central Fund 1 (f)	580,328	47,070,422
Fidelity VIP Investment Grade Central Fund (f)	4,978,648	497,864,791
TOTAL FIXED-INCOME FUNDS		
(Cost \$583,566,860)		563,650,676

Money Market Funds – 2.6%

	Shares	Value
Fidelity Cash Central Fund, 0.40% (b) .	27,517,665	27,517,665
Fidelity Money Market Central Fund, 0.90% (b)	260,162	260,162
Fidelity Securities Lending Cash Central Fund, 0.22% (b)(c)	4,334,450	4,334,450
TOTAL MONEY MARKET FUNDS		
(Cost \$32,112,277)		32,112,277

Cash Equivalents – 0.0%

		Maturity Amount
Investments in repurchase agreements in a joint trading account at 0.01%, dated 6/30/09 due 7/1/09 (Collateralized by U.S. Treasury Obligations) # (Cost \$41,000)	\$ 41,000	41,000

TOTAL INVESTMENT PORTFOLIO – 100.5%		
(Cost \$1,219,298,745)		1,208,814,826

NET OTHER ASSETS – (0.5)% **(6,246,264)**

NET ASSETS – 100% **\$ 1,202,568,562**

Legend

- (a) Non-income producing
- (b) Affiliated fund that is 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.
- (c) Investment made with cash collateral received from securities on loan.
- (d) Security or a portion of the security is on loan at period end.

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

Investments (Unaudited) – continued

- (e) 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 \$1,103,200 or 0.1% of net assets.
- (f) Affiliated fund that is available only to investment companies and other accounts managed by Fidelity Investments. A complete unaudited schedule of portfolio holdings for each Fidelity Central Fund is filed with the SEC for the first and third quarters of each fiscal year on Form N-Q and is available upon request or at the SEC's web site at www.sec.gov. An unaudited holdings listing for the Fund, which presents direct holdings as well as the pro rata share of securities and other investments held indirectly through its investment in underlying non-money market Fidelity Central Funds, is available at advisor.fidelity.com. In addition, each Fidelity Central Fund's financial statements are available on the SEC's web site or upon request.

Additional information on each counterparty to the repurchase agreement is as follows:

Repurchase Agreement / Counterparty	Value
\$41,000 due 7/01/09 at 0.01%	
Barclays Capital, Inc.	\$ 5,489
Deutsche Bank Securities, Inc.	4,867
ING Financial Markets LLC	1,803
J.P. Morgan Securities, Inc.	25,235
Mizuho Securities USA, Inc.	1,803
Morgan Stanley & Co., Inc.	1,803
	\$ 41,000

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	\$ 48,339
Fidelity Emerging Markets Equity Central Fund	183,578
Fidelity Floating Rate Central Fund	635,129
Fidelity High Income Central Fund 1	1,768,477
Fidelity International Equity Central Fund	973,650
Fidelity Money Market Central Fund	203,327
Fidelity Securities Lending Cash Central Fund	130,223
Fidelity VIP Investment Grade Central Fund	12,261,690
Total	\$ 16,204,413

Additional information regarding the Fund's fiscal year to date purchases and sales, including the ownership percentage, of the non Money Market Central Funds is as follows:

Fund	Value, beginning of period	Purchases	Sales Proceeds	Value, end of period	% ownership, end of period
Fidelity Emerging Markets Equity Central Fund	\$ 12,143,658	\$ —	\$ —	\$ 16,192,692	11.0%
Fidelity Floating Rate Central Fund	35,491,726	635,128	23,449,315	18,715,463	0.7%
Fidelity High Income Central Fund 1	27,086,222	14,273,652	—	47,070,422	10.5%
Fidelity International Equity Central Fund	49,605,349	973,650	—	52,190,513	9.7%
Fidelity VIP Investment Grade Central Fund	504,911,591	12,260,813	44,920,091	497,864,791	14.8%
Total	\$ 629,238,546	\$ 28,143,243	\$ 68,369,406	\$ 632,033,881	

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

Other Information

All investments are categorized as Level 1 under the Fair Value Hierarchy with the exception of Cash Equivalents which are categorized as Level 2. 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 please refer to the Security Valuation section in the accompanying Notes to Financial Statements.

The information in the following tables is based on the combined investments of the Fund and its pro-rata share of its investments of Fidelity's Equity and Fixed-Income Central Funds.

The composition of credit quality ratings as a percentage of net assets is as follows (ratings are unaudited):

U.S. Government and U.S. Government Agency Obligations	23.5%
AAA,AA,A	9.8%
BBB	7.5%
BB	3.0%
B	2.5%
CCC,CC,C	0.7%
D	0.2%
Not Rated	0.3%
Equities	50.9%
Short-Term Investments and Net Other Assets	1.6%
	<u>100.0%</u>

We have used ratings from Moody's® Investors Services, Inc. Where Moody's ratings are not available, we have used S&P® ratings. All ratings are as of the report date and do not reflect subsequent downgrades.

Distribution of investments by country of issue, as a percentage of total net assets, is as follows: (Unaudited)

United States of America	82.5%
Canada	2.3%
Switzerland	2.2%
China	2.2%
United Kingdom	1.6%
Germany	1.4%
Brazil	1.1%
Others (individually less than 1%)	6.7%
	<u>100.0%</u>

Income Tax Information

At December 31, 2008, the fund had a capital loss carryforward of approximately \$205,775,316 all of which will expire on December 31, 2016.

Financial Statements

Statement of Assets and Liabilities

June 30, 2009 (Unaudited)

Assets

Investment in securities, at value (including securities loaned of \$4,159,778 and repurchase agreements of \$41,000) — See accompanying schedule:		
Unaffiliated issuers (cost \$499,577,899)	\$	544,668,668
Fidelity Central Funds (cost \$719,720,846)		<u>664,146,158</u>
Total Investments (cost \$1,219,298,745)		\$1,208,814,826
Receivable for investments sold		
Regular delivery		7,564,711
Delayed delivery		169,197
Receivable for fund shares sold		385,143
Dividends receivable		688,317
Distributions receivable from Fidelity Central Funds		2,485,189
Prepaid expenses		6,070
Other receivables		<u>52,001</u>
Total assets		<u>1,220,165,454</u>

Liabilities

Payable to custodian bank	\$	77,871
Payable for investments purchased		11,770,151
Payable for fund shares redeemed		657,515
Accrued management fee		517,233
Distribution fees payable		8,100
Other affiliated payables		112,382
Other payables and accrued expenses		119,190
Collateral on securities loaned, at value		<u>4,334,450</u>
Total liabilities		<u>17,596,892</u>

Net Assets		<u>\$1,202,568,562</u>
Net Assets consist of:		
Paid in capital		\$1,490,523,704
Undistributed net investment income		16,088,344
Accumulated undistributed net realized gain (loss) on investments and foreign currency transactions		(293,562,189)
Net unrealized appreciation (depreciation) on investments and assets and liabilities in foreign currencies		<u>(10,481,297)</u>
Net Assets		<u>\$1,202,568,562</u>

Statement of Assets and Liabilities – continued

June 30, 2009 (Unaudited)

Initial Class:

Net Asset Value , offering price and redemption price per share (\$1,109,489,057 ÷ 98,332,336 shares)		<u>\$</u>	<u>11.28</u>
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Service Class:

Net Asset Value , offering price and redemption price per share (\$7,480,721 ÷ 667,307 shares)		<u>\$</u>	<u>11.21</u>
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Service Class 2:

Net Asset Value , offering price and redemption price per share (\$35,582,036 ÷ 3,208,073 shares)		<u>\$</u>	<u>11.09</u>
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Investor Class:

Net Asset Value , offering price and redemption price per share (\$50,016,748 ÷ 4,448,955 shares)		<u>\$</u>	<u>11.24</u>
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See accompanying notes which are an integral part of the financial statements.

Statement of Operations

Six months ended June 30, 2009 (Unaudited)

Investment Income		
Dividends		\$ 3,839,228
Interest		1,050
Income from Fidelity Central Funds		16,204,413
Total income		<u>20,044,691</u>
Expenses		
Management fee	\$ 2,947,171	
Transfer agent fees	524,018	
Distribution fees	46,653	
Accounting and security lending fees	237,658	
Custodian fees and expenses	21,690	
Independent trustees' compensation	2,053	
Appreciation in deferred trustee compensation account	135	
Audit	27,187	
Legal	2,915	
Interest	855	
Miscellaneous	50,462	
Total expenses before reductions	3,860,797	
Expense reductions	(4,396)	3,856,401
Net investment income (loss)		<u>16,188,290</u>
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	(67,191,120)	
Fidelity Central Funds	(12,128,453)	
Foreign currency transactions	8,381	
Futures contracts	(8,472,515)	
Total net realized gain (loss)		(87,783,707)
Change in net unrealized appreciation (depreciation) on:		
Investment securities	175,531,235	
Assets and liabilities in foreign currencies	(1,286)	
Futures contracts	(960,658)	
Total change in net unrealized appreciation (depreciation)		174,569,291
Net gain (loss)		<u>86,785,584</u>
Net increase (decrease) in net assets resulting from operations		<u>\$ 102,973,874</u>

Statement of Changes in Net Assets

	Six months ended June 30, 2009 (Unaudited)	Year ended December 31, 2008
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	\$ 16,188,290	\$ 43,261,967
Net realized gain (loss)	(87,783,707)	(207,933,075)
Change in net unrealized appreciation (depreciation)	174,569,291	(356,452,176)
Net increase (decrease) in net assets resulting from operations	<u>102,973,874</u>	<u>(521,123,284)</u>
Distributions to shareholders from net investment income	(1,689,160)	(41,190,249)
Distributions to shareholders from net realized gain	—	(172,526,461)
Total distributions	<u>(1,689,160)</u>	<u>(213,716,710)</u>
Share transactions – net increase (decrease)	(87,885,933)	12,608,857
Total increase (decrease) in net assets	<u>13,398,781</u>	<u>(722,231,137)</u>
Net Assets		
Beginning of period	1,189,169,781	1,911,400,918
End of period (including undistributed net investment income of \$16,088,344 and undistributed net investment income of \$1,589,214, respectively)	<u>\$1,202,568,562</u>	<u>\$1,189,169,781</u>

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

Financial Highlights — Initial Class

	Six months ended		Years ended December 31,			
	June 30, 2009 (Unaudited)	2008	2007	2006	2005	2004
Selected Per-Share Data						
Net asset value, beginning of period	\$ 10.31	\$ 16.58	\$ 15.71	\$ 15.04	\$ 14.85	\$ 14.46
Income from Investment Operations						
Net investment income (loss) ^E	.15	.36	.44	.44	.38	.36 ^H
Net realized and unrealized gain (loss)	.84	(4.75)	1.88	.64	.21	.42
Total from investment operations	.99	(4.39)	2.32	1.08	.59	.78
Distributions from net investment income	(.02)	(.37)	(1.00)	(.41)	(.39)	(.39)
Distributions from net realized gain	—	(1.51)	(.45)	—	(.01)	—
Total distributions	(.02)	(1.88)	(1.45)	(.41)	(.40) ^J	(.39)
Net asset value, end of period	\$ 11.28	\$ 10.31	\$ 16.58	\$ 15.71	\$ 15.04	\$ 14.85
Total Return^{B,C,D}	9.57%	(28.76)%	15.57%	7.32%	4.04%	5.47%
Ratios to Average Net Assets^{F,I}						
Expenses before reductions	.66% ^A	.63%	.63%	.65%	.64%	.66%
Expenses net of fee waivers, if any	.66% ^A	.63%	.63%	.65%	.64%	.66%
Expenses net of all reductions	.66% ^A	.63%	.62%	.63%	.63%	.65%
Net investment income (loss)	2.84% ^A	2.62%	2.75%	2.90%	2.60%	2.53%
Supplemental Data						
Net assets, end of period (000 omitted)	\$1,109,489	\$1,093,133	\$1,791,647	\$2,080,545	\$2,407,113	\$2,751,094
Portfolio turnover rate ^G	111% ^A	90%	99%	173%	44%	66%

^A Annualized

^B Total returns for periods of less than one year are not annualized.

^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 had certain expenses not been reduced during the periods shown.

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

^F Fees and expenses of the 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 Amount does not include the portfolio activity of any underlying Fidelity Central Funds.

^H Investment income per share reflects a special dividend which amounted to \$.04 per share.

^I 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 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.

^J Total distributions of \$.40 per share is comprised of distributions from net investment income of \$.39 and distributions from net realized gain of \$.005 per share.

Financial Highlights — Service Class

	Six months ended		Years ended December 31,			
	June 30, 2009 (Unaudited)	2008	2007	2006	2005	2004
Selected Per-Share Data						
Net asset value, beginning of period	\$ 10.25	\$ 16.48	\$ 15.61	\$ 14.94	\$ 14.75	\$ 14.37
Income from Investment Operations						
Net investment income (loss) ^E	.14	.34	.42	.42	.36	.34 ^H
Net realized and unrealized gain (loss)	.84	(4.71)	1.86	.64	.21	.42
Total from investment operations	.98	(4.37)	2.28	1.06	.57	.76
Distributions from net investment income	(.02)	(.35)	(.96)	(.39)	(.37)	(.38)
Distributions from net realized gain	—	(1.51)	(.45)	—	(.01)	—
Total distributions	(.02)	(1.86)	(1.41)	(.39)	(.38) ^J	(.38)
Net asset value, end of period	\$ 11.21	\$ 10.25	\$ 16.48	\$ 15.61	\$ 14.94	\$ 14.75
Total Return^{B,C,D}	9.53%	(28.82)%	15.36%	7.24%	3.93%	5.36%
Ratios to Average Net Assets^{F,I}						
Expenses before reductions	.79% ^A	.75%	.74%	.76%	.74%	.77%
Expenses net of fee waivers, if any	.79% ^A	.75%	.74%	.76%	.74%	.77%
Expenses net of all reductions	.79% ^A	.75%	.74%	.74%	.73%	.76%
Net investment income (loss)	2.71% ^A	2.50%	2.63%	2.79%	2.50%	2.41%
Supplemental Data						
Net assets, end of period (000 omitted)	\$ 7,481	\$ 7,413	\$ 13,530	\$ 24,021	\$ 29,382	\$ 33,118
Portfolio turnover rate ^G	111% ^A	90%	99%	173%	44%	66%

^A Annualized

^B Total returns for periods of less than one year are not annualized.

^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 had certain expenses not been reduced during the periods shown.

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

^F Fees and expenses of the 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 Amount does not include the portfolio activity of any underlying Fidelity Central Funds.

^H Investment income per share reflects a special dividend which amounted to \$.04 per share.

^I 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 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.

^J Total distributions of \$.38 per share is comprised of distributions from net investment income of \$.37 and distributions from net realized gain of \$.005 per share.

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

Financial Highlights — Service Class 2

	Six months ended		Years ended December 31,			
	June 30, 2009 (Unaudited)	2008	2007	2006	2005	2004
Selected Per-Share Data						
Net asset value, beginning of period	\$ 10.15	\$ 16.34	\$ 15.47	\$ 14.82	\$ 14.64	\$ 14.27
Income from Investment Operations						
Net investment income (loss) ^E	.13	.32	.39	.39	.34	.32 ^H
Net realized and unrealized gain (loss)	.83	(4.67)	1.85	.63	.21	.41
Total from investment operations	.96	(4.35)	2.24	1.02	.55	.73
Distributions from net investment income	(.02)	(.33)	(.92)	(.37)	(.37)	(.36)
Distributions from net realized gain	—	(1.51)	(.45)	—	(.01)	—
Total distributions	(.02)	(1.84)	(1.37)	(.37)	(.37) ^J	(.36)
Net asset value, end of period	\$ 11.09	\$ 10.15	\$ 16.34	\$ 15.47	\$ 14.82	\$ 14.64
Total Return^{B, C, D}	9.43%	(28.95)%	15.24%	7.06%	3.85%	5.18%
Ratios to Average Net Assets^{F, I}						
Expenses before reductions	.93% ^A	.90%	.89%	.92%	.90%	.93%
Expenses net of fee waivers, if any	.93% ^A	.90%	.89%	.92%	.90%	.93%
Expenses net of all reductions	.93% ^A	.89%	.89%	.90%	.89%	.92%
Net investment income (loss)	2.58% ^A	2.36%	2.48%	2.64%	2.34%	2.25%
Supplemental Data						
Net assets, end of period (000 omitted)	\$ 35,582	\$ 37,360	\$ 59,670	\$ 55,585	\$ 51,574	\$ 36,763
Portfolio turnover rate ^G	111% ^A	90%	99%	173%	44%	66%

^A Annualized

^B Total returns for periods of less than one year are not annualized.

^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 had certain expenses not been reduced during the periods shown.

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

^F Fees and expenses of the 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 Amount does not include the portfolio activity of any underlying Fidelity Central Funds.

^H Investment income per share reflects a special dividend which amounted to \$.04 per share.

^I 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 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.

^J Total distributions of \$.37 per share is comprised of distributions from net investment income of \$.365 and distributions from net realized gain of \$.005 per share.

Financial Highlights — Investor Class

	Six months ended		Years ended December 31,		
	June 30, 2009 (Unaudited)	2008	2007	2006	2005 ^H
Selected Per-Share Data					
Net asset value, beginning of period	\$ 10.28	\$ 16.53	\$ 15.67	\$ 15.03	\$ 14.63
Income from Investment Operations					
Net investment income (loss) ^E	.14	.34	.42	.42	.16
Net realized and unrealized gain (loss)	.84	(4.72)	1.87	.63	.24
Total from investment operations	.98	(4.38)	2.29	1.05	.40
Distributions from net investment income	(.02)	(.36)	(.98)	(.41)	—
Distributions from net realized gain	—	(1.51)	(.45)	—	—
Total distributions	(.02)	(1.87)	(1.43)	(.41)	—
Net asset value, end of period	\$ 11.24	\$ 10.28	\$ 16.53	\$ 15.67	\$ 15.03
Total Return^{B, C, D}	9.50%	(28.79)%	15.38%	7.16%	2.73%
Ratios to Average Net Assets^{F, I}					
Expenses before reductions	.77% ^A	.73%	.75%	.78%	.82% ^A
Expenses net of fee waivers, if any	.77% ^A	.73%	.75%	.78%	.82% ^A
Expenses net of all reductions	.77% ^A	.72%	.74%	.76%	.81% ^A
Net investment income (loss)	2.73% ^A	2.53%	2.63%	2.77%	2.52% ^A
Supplemental Data					
Net assets, end of period (000 omitted)	\$ 50,017	\$ 51,264	\$ 46,555	\$ 27,092	\$ 9,322
Portfolio turnover rate ^G	111% ^A	90%	99%	173%	44%

^A Annualized

^B Total returns for periods of less than one year are not annualized.

^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 had certain expenses not been reduced during the periods shown.

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

^F Fees and expenses of the 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 Amount does not include the portfolio activity of any underlying Fidelity Central Funds.

^H For the period July 21, 2005 (commencement of sale of shares) to December 31, 2005.

^I 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 other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expense ratios before reductions for start-up periods may not be representative of longer-term operating periods. 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.

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

Notes to Financial Statements

For the period ended June 30, 2009 (Unaudited)

1. Organization.

VIP Asset Manager Portfolio (the Fund) is a fund of Variable Insurance Products Fund V (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. Investment income, realized and unrealized capital gains and losses, the common expenses of the Fund, and certain fund-level expense reductions, if any, are allocated 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 also differ by class.

2. Investments in Fidelity Central Funds.

The Fund may invest in Fidelity Central Funds, which are open-end investment companies available only to other investment companies and accounts managed by Fidelity Management & Research Company (FMR) 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.

Based on their investment objective, each Fidelity Central Fund may invest or participate in various investment vehicles or strategies that are similar to those of the Fund. These strategies are consistent with the investment objectives of the Fund and may involve certain economic risks which may cause a decline in value of each of the Fidelity Central Funds and thus a decline in the value of the Fund. The following summarizes the Fund's investment in each Fidelity Central Fund.

Fidelity Central Fund	Investment Manager	Investment Objective	Investment Practices
Fidelity Emerging Markets Equity Central Fund	Fidelity Management & Research Company, Inc. (FMRC)	Seeks capital appreciation by investing primarily in equity securities of issuers in emerging markets.	Foreign Securities Repurchase Agreements
Fidelity International Equity Central Fund	FMRC	Seeks capital appreciation by investing primarily in non-U.S. based common stocks, including securities of issuers located in emerging markets.	Foreign Securities Repurchase Agreements
Fidelity Floating Rate Central Fund	FMRC	Seeks a high level of income by normally investing in floating rate loans and other floating rate securities.	Loans & Direct Debt Instruments Repurchase Agreements Restricted Securities
Fidelity High Income Central Fund 1	FMRC	Seeks a high level of income and may also seek capital appreciation by investing primarily in debt securities, preferred stocks, and convertible securities, with an emphasis on lower-quality debt securities.	Delayed Delivery & When Issued Securities Loans & Direct Debt Instruments Repurchase Agreements Restricted Securities
VIP Investment Grade Central Fund	Fidelity Investments Money Management, Inc. (FIMM)	Seeks a high level of current income by normally investing in investment-grade debt securities and repurchase agreements.	Delayed Delivery & When Issued Securities Repurchase Agreements Restricted Securities Swap Agreements
Fidelity Money Market Central Funds	FIMM	Seeks to obtain a high level of current income consistent with the preservation of capital and liquidity.	Short-term investments

An unaudited holdings listing for the Fund, which presents direct holdings as well as the pro-rata share of any securities and other investments held indirectly through its investment in underlying non-money market Fidelity Central Funds, is available at advisor.fidelity.com. A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the SEC's web site at www.sec.gov. In addition, the financial statements of the Fidelity Central Funds are available on the SEC's web site or upon request.

3. Significant Accounting Policies.

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Events or transactions occurring after period end through the date that the financial statements were issued, August 19, 2009, have been evaluated in the preparation of the financial statements. The following summarizes the significant accounting policies of the Fund:

Security Valuation. Investments are valued as of 4:00 p.m. Eastern time on the last calendar day of the period. The Fund uses independent pricing services approved by the Board of Trustees to value its investments. Generally Accepted Accounting Principles (GAAP) establishes a disclosure hierarchy that categorizes the inputs to valuation techniques used to value assets and liabilities at measurement date. These inputs are classified into three levels. Level 1 includes readily available unadjusted quoted prices in active markets for identical assets or liabilities. Level 2 includes observable inputs other than quoted prices included in Level 1 that are observable either directly or indirectly. Level 3 includes unobservable inputs when market prices are not readily available or reliable. Changes in valuation techniques may result in transfers in or out of an investment's assigned level within the hierarchy. The aggregate value by input level, as of June 30, 2009, for the Fund's investments is included at the end of the Fund's Schedule of Investments. Valuation techniques of the Fund's major categories of assets and liabilities as presented in the Schedule of Investments 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 an independent pricing service on the primary market or exchange on which they are traded. 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. Investments in open-end mutual funds, including the Fidelity Central Funds, are valued at their closing net asset value each business day. Short-term securities with remaining maturities of sixty days or less for which quotations are not readily available are valued at amortized cost, which approximates value.

When current market prices or quotations are not readily available or reliable, valuations may be determined in good faith in accordance with procedures adopted by the Board of Trustees. Factors used in determining value may include significant market or security specific events, changes in interest rates and credit quality, and developments in foreign markets which are monitored by evaluating the performance of ADRs, futures contracts and exchange-traded funds. The frequency with which these procedures are used cannot be predicted and may be utilized to a significant extent. The value of securities used for net asset value (NAV) calculation under these procedures may differ from published prices for the same securities.

Foreign Currency. The Fund uses foreign currency contracts to facilitate transactions in foreign-denominated securities. 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 rate 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 may 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. Distributions received on securities that represent a return of capital or capital gain are recorded as a reduction of cost of investments and/or as a realized gain. The Fund estimates the components of distributions received that may be considered return of capital distributions or capital gain distributions. Interest income and distributions from the Fidelity Central Funds are accrued as earned. Interest income includes coupon interest and amortization of premium and accretion of discount on debt securities. Investment income is recorded net of foreign taxes withheld where recovery of such taxes is uncertain.

Expenses. Most expenses of the trust can be directly attributed to a fund. Expenses which cannot be directly attributed are apportioned among each Fund in the trust. 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), independent Trustees must defer receipt of a portion of, and may elect to defer receipt of an additional 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 are included in the accompanying Statement of Assets and Liabilities.

Notes to Financial Statements (Unaudited) – continued

3. Significant Accounting Policies – continued

Income Tax Information and Distributions to Shareholders. Each year, the Fund intends to qualify as a regulated investment company by distributing substantially all of its taxable income and realized gains under Subchapter M of the Internal Revenue Code and filing its U.S. federal tax return. As a result, no provision for income taxes is required. The Fund is subject to the provisions of FASB Interpretation No. 48, Accounting for Uncertainties in Income Taxes (FIN 48). FIN 48 sets forth a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken in a tax return. There are no unrecognized tax benefits in the accompanying financial statements. A Fund's federal tax return is subject to examination by the Internal Revenue Service (IRS) for a period of three years. 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 recorded on the ex-dividend date. Income dividends 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 generally accepted accounting principles.

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. Temporary book-tax differences will reverse in a subsequent period.

Book-tax differences are primarily due to the short-term gain distributions from the Fidelity Central Funds, futures transactions, foreign currency transactions, passive foreign investment companies (PFIC), market discount, partnerships (including allocations from Fidelity Central Funds), deferred trustees compensation, capital loss carryforwards and losses deferred due to wash sales.

The federal tax cost of investments and unrealized appreciation (depreciation) as of period end were as follows:

Unrealized appreciation	\$	92,074,308
Unrealized depreciation		(102,399,643)
Net unrealized appreciation (depreciation)	\$	(10,325,335)
Cost for federal income tax purposes	\$	1,219,140,161

4. Operating Policies.

Repurchase Agreements. FMR has received an Exemptive Order from the Securities and Exchange Commission (the SEC) which permits the Fund and other affiliated entities of FMR to transfer uninvested cash balances into joint trading accounts which are then invested in repurchase agreements. The Fund may also invest directly with institutions in repurchase agreements. Repurchase agreements are collateralized by government or non-government securities. Upon settlement date, collateral is held in segregated accounts with custodian banks and may be obtained in the event of a default of the counterparty. The Fund monitors, on a daily basis, the value of the collateral to ensure it is at least equal to the principal amount of the repurchase agreement (including accrued interest). In the event of a default by the counterparty, realization of the collateral proceeds could be delayed, during which time the value of the collateral may decline.

Delayed Delivery Transactions and When-Issued Securities. The Fund may purchase or sell securities on a delayed delivery or when-issued basis. Payment and delivery may take place after the customary settlement period for that security. The price of the underlying securities and the date when the securities will be delivered and paid for are fixed at the time the transaction is negotiated. During the time a delayed delivery sell is outstanding, the contract is marked-to-market daily and equivalent deliverable securities are held for the transaction. The Fund may receive compensation for interest forgone in the purchase of a delayed delivery or when-issued security. With respect to purchase commitments, the Fund identifies securities as segregated in its records with a value at least equal to the amount of the commitment. Losses may arise due to changes in the value of the underlying securities or if the counterparty does not perform under the contract's terms, or if the issuer does not issue the securities due to political, economic, or other factors.

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.

5. Investments in Derivative Instruments.

Objectives and Strategies for Investing in Derivative Instruments. The Fund uses derivative instruments ("derivatives"), including futures contracts, in order to meet its investment objectives. The Fund's strategy is to use derivatives as a risk management tool and as an additional way to gain exposure to certain types of assets. The success of any strategy involving derivatives depends on analysis of numerous economic factors, and if the strategies for investment do not work as intended, the Fund may not achieve its objectives.

5. Investments in Derivative Instruments – continued

Objectives and Strategies for Investing in Derivative Instruments – continued

While utilizing derivatives in pursuit of its investment objectives, the Fund is exposed to certain financial risks relative to those derivatives. This risk is further explained below:

Equity Risk Equity risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment.

The following notes provide more detailed information about each derivative type held by the Fund:

Futures Contracts. The Fund uses futures contracts to manage its exposure to the stock market. A futures contract is an agreement between two parties to buy or sell a specified underlying instrument for a fixed price at a specified future date. Buying futures tends to increase a fund's exposure to the underlying instrument, while selling futures tends to decrease a fund's exposure to the underlying instrument.

The purchaser or seller of a futures contract is not required to pay for or deliver the instrument unless the contract is held until the delivery date. Upon entering into a futures contract, a fund is required to deposit with a clearing broker, no later than the following business day, an amount ("initial margin") equal to a certain percentage of the face value of the contract. The initial margin may be in the form of cash or securities and is transferred to a segregated account on settlement date. Securities deposited to meet margin requirements are identified in each applicable Fund's Schedule of Investments. Futures contracts are marked-to-market daily and subsequent payments ("variation margin") are made or received by a fund depending on the daily fluctuations in the value of the futures contract. These amounts are reflected as receivables or payables on the Statement of Assets and Liabilities and changes in value are recognized as unrealized gain (loss). Realized gain (loss) is recorded upon the expiration or closing of the futures contract. The net realized gain (loss) and change in unrealized gain (loss) on futures contracts during the period is included on the Statement of Operations. The total underlying face amount of all open futures contracts at period end is indicative of the volume of this derivative type.

Realized and Change in Unrealized Gain (Loss) on Derivative Instruments. A summary of the Fund's value of derivatives by primary risk exposure as of period end, if any, is included at the end of the Fund's Schedule of Investments. The table below reflects the Fund's realized gain (loss) and change in unrealized gain (loss) for derivatives during the period.

Risk Exposure / Derivative Type	Realized Gain (Loss)	Change in Unrealized Gain (Loss)
Equity Risk		
Futures Contracts	\$ (8,472,515)	\$ (960,658)
Total Derivatives Realized and Change in Unrealized Gain (Loss) (a)(b)	<u>\$ (8,472,515)</u>	<u>\$ (960,658)</u>

(a) Total derivatives realized gain (loss) included in the Statement of Operations is comprised of \$(8,472,515) for futures contract.

(b) Total derivatives change in unrealized gain (loss) included in the Statement of Operations is comprised of \$(960,658) for futures contracts.

6. Purchases and Sales of Investments.

Purchases and sales of securities (including the Equity and Fixed-Income Central Funds), other than short-term securities, aggregated \$611,747,484 and \$617,275,814, respectively.

7. Fees and Other Transactions with Affiliates.

Management Fee. FMR 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 .25% of the Fund's average net assets and a group fee rate that averaged .27% during the period. The group fee rate is based upon the average net assets of all the mutual funds advised by FMR. The group fee rate decreases as assets under management increase and increases as assets under management decrease. For the period, the total annualized management fee rate was .52% of the Fund's average net assets.

Distribution and Service Plan. 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 FMR, 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, each class paid FDC the following amounts, all of which were re-allowed to insurance companies for the distribution of shares and providing shareholder support services:

Service Class	\$ 3,559
Service Class 2	43,094
	<u>\$ 46,653</u>

Notes to Financial Statements (Unaudited) – continued

7. Fees and Other Transactions with Affiliates – continued

Transfer Agent Fees. Fidelity Investments Institutional Operations Company, Inc. (FIIOC), an affiliate of FMR, is the Fund's transfer, dividend disbursing, and shareholder servicing agent. FIIOC receives an asset-based fee with respect to each class. Each class (with the exception of Investor Class) pays a transfer agent fee, excluding out of pocket expenses, equal to an annual rate of .07% of average net assets. Investor Class pays a monthly asset-based transfer agent fee of .15% of average net assets. The total transfer agent fees paid by each class to FIIOC, including out of pocket expenses, were as follows:

Initial Class	\$	454,758
Service Class		4,154
Service Class 2		18,031
Investor Class		47,075
	\$	<u>524,018</u>

Accounting and Security Lending Fees. Fidelity Service Company, Inc. (FSC), an affiliate of FMR, maintains the Fund's accounting records. The accounting fee is based on the level of average net assets for the 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.

Brokerage Commissions. The Fund placed a portion of its portfolio transactions with brokerage firms which are affiliates of the investment adviser. The commissions paid to these affiliated firms were \$16,861 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 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 Daily Loan Balance	Weighted Average Interest Rate	Interest Expense
Borrower	\$ 10,735,000	.41%	\$ 855

8. Committed Line of Credit.

The Fund participates with other funds managed by FMR in a \$3.5 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 \$3,595 and is reflected in Miscellaneous Expense on the Statement of Operations. During the period, there were no borrowings on this line of credit.

9. Security Lending.

The Fund lends portfolio securities from time to time in order to earn additional income. 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. If the borrower defaults on its obligation to return the securities loaned because of insolvency or other reasons, a fund could experience delays and costs in recovering the securities loaned or in gaining access to the collateral. 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. Security lending income represents the income earned on investing cash collateral, less fees and expenses associated with the loan, plus any premium payments that may be received on the loan of certain types of securities. Security lending income is presented in the Statement of Operations as a component of income from Fidelity Central Funds. Net income from lending portfolio securities during the period amounted to \$130,223.

10. Expense Reductions.

Many of the brokers with whom FMR places trades on behalf of the Fund provided services to the Fund in addition to trade execution. These services included payments of certain expenses on behalf of the Fund totaling \$4,396 for the period.

11. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Six months ended June 30, 2009	Year ended December 31, 2008
From net investment income		
Initial Class	\$ 1,553,578	\$ 38,015,719
Service Class	10,669	246,441
Service Class 2	51,223	1,187,775
Investor Class	73,690	1,740,314
Total	<u>\$ 1,689,160</u>	<u>\$ 41,190,249</u>
From net realized gain		
Initial Class	\$ —	\$ 161,149,954
Service Class	—	1,209,795
Service Class 2	—	5,555,453
Investor Class	—	4,611,259
Total	<u>\$ —</u>	<u>\$ 172,526,461</u>

12. Share Transactions.

Transactions for each class of shares were as follows:

	Shares		Dollars	
	Six months ended June 30, 2009	Year ended December 31, 2008	Six months ended June 30, 2009	Year ended December 31, 2008
Initial Class				
Shares sold	1,326,749	6,061,823	\$ 14,054,212	\$ 86,439,618
Reinvestment of distributions	154,125	14,987,340	1,553,578	199,165,673
Shares redeemed	(9,184,546)	(23,098,451)	(93,384,228)	(307,562,568)
Net increase (decrease)	<u>(7,703,672)</u>	<u>(2,049,288)</u>	<u>\$ (77,776,438)</u>	<u>\$ (21,957,277)</u>
Service Class				
Shares sold	81,299	194,458	\$ 841,463	\$ 2,734,982
Reinvestment of distributions	1,065	109,333	10,669	1,456,236
Shares redeemed	(138,325)	(401,344)	(1,393,474)	(5,497,355)
Net increase (decrease)	<u>(55,961)</u>	<u>(97,553)</u>	<u>\$ (541,342)</u>	<u>\$ (1,306,137)</u>
Service Class 2				
Shares sold	191,724	888,154	\$ 1,952,436	\$ 12,478,899
Reinvestment of distributions	5,164	512,663	51,223	6,743,228
Shares redeemed	(670,434)	(1,371,993)	(6,708,284)	(18,022,815)
Net increase (decrease)	<u>(473,546)</u>	<u>28,824</u>	<u>\$ (4,704,625)</u>	<u>\$ 1,199,312</u>
Investor Class				
Shares sold	350,955	3,564,716	\$ 3,699,009	\$ 51,649,057
Reinvestment of distributions	7,332	494,489	73,690	6,351,573
Shares redeemed	(897,181)	(1,887,346)	(8,636,227)	(23,327,671)
Net increase (decrease)	<u>(538,894)</u>	<u>2,171,859</u>	<u>\$ (4,863,528)</u>	<u>\$ 34,672,959</u>

13. 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, FMR or its affiliates were the owners of record of 29% of the total outstanding shares of the Fund, and one otherwise unaffiliated shareholder was the owner of record of 19% of the total outstanding shares of the Fund.

Proxy Voting Results

A special meeting of the fund's shareholders was held on July 15, 2009. The results of votes taken among shareholders on the proposals before them are reported below. Each vote reported represents one dollar of net asset value held on the record date for the meeting.

PROPOSAL 1

To elect a Board of Trustees.^A

	# of Votes	% of Votes
James C. Curvey		
Affirmative	5,552,872,469.31	95.061
Withheld	288,502,726.49	4.939
TOTAL	5,841,375,195.80	100.000
Albert R. Gamper, Jr.		
Affirmative	5,561,890,244.04	95.215
Withheld	279,484,951.76	4.785
TOTAL	5,841,375,195.80	100.000
Abigail P. Johnson		
Affirmative	5,555,939,213.33	95.114
Withheld	285,435,982.47	4.886
TOTAL	5,841,375,195.80	100.000
Arthur E. Johnson		
Affirmative	5,553,678,620.69	95.075
Withheld	287,696,575.11	4.925
TOTAL	5,841,375,195.80	100.000
Michael E. Kenneally		
Affirmative	5,569,390,062.35	95.344
Withheld	271,985,133.45	4.656
TOTAL	5,841,375,195.80	100.000
James H. Keyes		
Affirmative	5,566,176,180.94	95.289
Withheld	275,199,014.86	4.711
TOTAL	5,841,375,195.80	100.000
Marie L. Knowles		
Affirmative	5,555,399,073.27	95.104
Withheld	285,976,122.53	4.896
TOTAL	5,841,375,195.80	100.000
Kenneth L. Wolfe		
Affirmative	5,541,935,763.09	94.874
Withheld	299,439,432.71	5.126
TOTAL	5,841,375,195.80	100.000

PROPOSAL 2

To amend the Declaration of Trust to reduce the required quorum for future shareholder meetings.^A

	# of Votes	% of Votes
Affirmative	4,850,324,304.70	83.034
Against	674,248,578.58	11.543
Abstain	316,802,312.52	5.423
TOTAL	5,841,375,195.80	100.000

^A Denotes trust-wide proposal and voting results.

Board Approval of Investment Advisory Contracts and Management Fees

VIP Asset Manager Portfolio

On May 21, 2009, the Board of Trustees, including the Independent Trustees (together, the Board), voted to continue the management contract and subadvisory agreements (together, the Advisory Contracts) for the fund for four months, through September 30, 2009, in connection with the reorganization of the Board's new meeting schedule. The Board considered that the contractual terms of and fees payable under the fund's Advisory Contracts involve no changes in (i) the investment process or strategies employed in the management of the fund's assets; (ii) the nature or level of services provided under the fund's Advisory Contracts; or (iii) 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 September 30, 2009, with the understanding that the Board will consider their renewal in September 2009.

Investment Adviser

Fidelity Management & Research Company
Boston, MA

Investment Sub-Advisers

FMR Co., Inc.
Fidelity Management & Research (U.K.) Inc.
Fidelity Research & Analysis Company
Fidelity Investments Money Management, Inc.
Fidelity Investments Japan Limited
FIL Investment Advisors
FIL Investment Advisors (U.K.) Ltd.
Fidelity Management & Research
(Hong Kong) Limited
Fidelity Management & Research
(Japan) Inc.

General Distributor

Fidelity Distributors Corporation
Boston, MA

Transfer and Service Agents

Fidelity Investments Institutional Operations Company, Inc.
Boston, MA
Fidelity Service Company, Inc.
Boston, MA

Custodian

JPMorgan Chase Bank
New York, NY