Form **8937**
(December 2011)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-2224

Part I Reporting Issuer

1 Issuer's name Variable Insurance Products Fund III: Growth Strategies Portfolio		2 Issuer's employer identification number (EIN) 04-3533870
3 Name of contact for additional information Jonathan Davis	4 Telephone No. of contact (617) 392-2468	5 Email address of contact jonathan.davis@fmr.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 245 Summer Street (mail zone V10F)		7 City, town, or post office, state, and Zip code of contact Boston, MA 02210
8 Date of action 04/24/2015	9 Classification and description Multiple classes of shares issued by a single mutual fund/regulated investment company	

10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
See Attachment		See Attachment	

Part II Organizational Action

Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On April 24, 2015, the Variable Insurance Products Fund III: Growth Strategies Portfolio (the 'Acquired Fund') merged into the Variable Insurance Products Fund III: Mid Cap Portfolio (the 'Acquiring Fund') in a tax-free reorganization. The reorganization comprised: (i) the transfer of all of the assets of the Acquired Fund to the Acquiring Fund in exchange for Acquiring Fund shares and the assumption by the Acquiring Fund of the Acquired Fund's liabilities; and (ii) the distribution of those Acquiring Fund shares by the Acquired Fund pro rata to its shareholders in complete liquidation and termination of the Acquired Fund. As a result of this reorganization, Acquired Fund shareholders surrendered their Acquired Fund shares in exchange for Acquiring Fund shares equal in value to the net asset value of the Acquired Fund shares surrendered (as of April 24, 2015). See attachment for more information.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ See Attachment

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ See Attachment

Part II **Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

IRC sections 368(a), 354(a) and 358(a)
Treas. Reg. section 1.358-2

18 Can any resulting loss be recognized? ▶ **No loss can be recognized as a result of this event.**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **None**

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Date ▶ 6/22/15

Print your name ▶ **Jonathan Davis** Title ▶ **Assistant Treasurer**

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Attachment – Form 8937 Lines 10, 12, 14, 15, 16

Merger Details

VIP Growth Strategies Portfolio ('Acquired Fund') Shares Surrendered					VIP Mid Cap Portfolio ('Acquiring Fund') Shares Received				
Ticker	CUSIP	Class	NAV		Ticker	CUSIP	Class	NAV	Merger Ratio
	922176748	Initial	14.016396			922176409	Initial	35.39	.396055
	922176730	Service	13.951275			922176508	Service	35.12	.397246
	922176722	Service 2	13.517837			922176805	Service 2	34.46	.392276
	922176672	Investor	13.867138			922176623	Investor	35.22	.393729

NAVs shown are as of immediately prior to the merger.
Merger Ratio is the number of Acquiring Fund shares received per one Acquired Fund share surrendered.

Effect on Basis

In General. Each shareholder has an aggregate basis in Acquiring Fund shares received in the merger equal to the aggregate basis of that shareholder's Acquired Fund shares surrendered in the merger.

Average Basis Shareholders. For a shareholder using the average basis method, his/her basis immediately following the merger in a particular Acquiring Fund share received in the merger equals his/her aggregate basis in that class of shares (including the basis carried over from the Acquired Fund shares of the corresponding class surrendered in the merger) divided by his/her total number of shares owned of that class.

Non-Average Basis Shareholders.

For a shareholder who does not use the average basis method but had the same basis in each of his/her Acquired Fund shares of the same class immediately prior to the merger (i.e., because his/her Acquired Fund shares of that class were purchased at a single price in a single transaction), the basis of each Acquiring Fund:

- Initial Class share received is equal to 252.490184% of the basis of each Acquired Fund Initial Class share surrendered.
- Service Class share received is equal to 251.733183% of the basis of each Acquired Fund Service Class share surrendered.
- Service Class 2 share received is equal to 254.922555% of the basis of each Acquired Fund Service Class 2 share surrendered.
- Investor Class share received is equal to 253.981800% of the basis of each Acquired Fund Investor Class share surrendered.

A shareholder who did not have the same basis in each of his/her Acquired Fund shares of a particular class determines the basis of each of his/her Acquiring Fund shares received in accordance with Treas. Reg. section 1.358-2.

Shareholders should consult IRS Publication 550 and their tax advisors for more information.