

TA JPMorgan Core Bond

Initial Class | Service Class

as of 09/30/18

Investment Objective

This investment option invests in a portfolio which seeks total return, consisting of current income and capital appreciation.

Investment Manager

Transamerica Asset Management, Inc.

Sub-adviser

J.P. Morgan Investment Management Inc. (JPMorgan)

J.P.Morgan

Asset Management

Portfolio Managers

Richard Figuly
Barbara Miller
Peter Simons, CFA

Risk Measures

3 Years

| | Initial Class | Service Class |
|--------------------|---------------|---------------|
| Alpha | -0.15 | -0.41 |
| Beta | 0.96 | 0.96 |
| R-Squared | 0.99 | 0.99 |
| Standard Deviation | 2.56 | 2.57 |

Fixed Income Statistics

| | |
|------------------|------------|
| Average Price | \$96.54 |
| Average Maturity | 7.40 years |
| Average Duration | 5.68 years |

Source: JPMorgan

Maturity (%)

| | |
|-------------|-------|
| 0-1 Year | 1.63 |
| 1-3 Years | 10.51 |
| 3-5 Years | 19.52 |
| 5-10 Years | 25.17 |
| 10-20 Years | 20.36 |
| 20+ Years | 20.74 |
| Other | 2.07 |

Quality (%)

| | |
|----------------|-------|
| AAA | 23.49 |
| AA | 4.91 |
| A | 10.41 |
| BBB | 13.90 |
| BB and Below | 0.24 |
| NR (Not Rated) | 44.98 |
| Other | 2.07 |

The Other category includes all Net Assets except U.S. and International Fixed Income.

Credit quality display reflects S&P® ratings; percentages may include investments not rated by S&P® but rated by Moody's®, or if unrated by Moody's®, by Fitch® ratings, and then included in the closest equivalent S&P® rating. NR includes securities that are not rated by S&P®, Moody's®, or Fitch®, but may be rated by other Nationally Recognized Statistical Rating Organizations, and may contain bonds, equities and/or bank loans.

Fund Facts

| | |
|-----------------|--|
| Portfolio Name | Transamerica JPMorgan Core Bond VP* |
| Benchmark Index | Bloomberg Barclays US Aggregate Bond Index |
| Lipper Category | Core Bond |

Class Facts

| | Inception Date | Gross Expense Ratio | Net Expense Ratio |
|---------------|----------------|---------------------|-------------------|
| Initial Class | 10/02/1986 | 0.50 | 0.50 |
| Service Class | 05/01/2003 | 0.75 | 0.75 |

Expense ratios for Service Class shares are higher than Initial Class shares due to the inclusion of 12b-1 fees.

Expense ratios shown reflect fee waivers, expense reimbursements, or expense recaptures, if any, which are at the discretion of the Investment Manager. Fee waivers and expense reimbursements are included in the Net Expense Ratio only. Expense recaptures are included in both the Gross Expense Ratio and the Net Expense Ratio.

Asset Allocation (%)

| | |
|--------------------------------|-------|
| U.S. Fixed Income | 90.45 |
| International Fixed Income | 7.48 |
| Net Other Assets (Liabilities) | 2.07 |

U.S. allocations may include U.S. territories and possessions.

The Net Other Assets (Liabilities) category may include, but is not limited to, repurchase agreements, reverse repurchase agreements, security lending collateral, forward foreign currency contracts, and cash collateral.

Portfolio Characteristics

| | |
|--------------------|---|
| Net Assets | \$575.94 Million (all share classes) |
| Number of Holdings | 1,788 |

Top 10 Sector Weights (%)

| | |
|-----------------------------------|-------|
| U.S. Government Agency Obligation | 30.03 |
| U.S. Government Obligation | 25.00 |
| Asset-Backed Security | 13.82 |
| Financials | 9.40 |
| Mortgage-Backed Security | 3.92 |
| Energy | 2.70 |
| Utilities | 2.07 |
| Industrials | 1.60 |
| Health Care | 1.51 |
| Information Technology | 1.44 |

Sector weights excludes net other assets (liabilities).

Top 10 Holdings

| | % of Holdings |
|---|---------------|
| U.S. Treasury Bond, Principal Only STRIPS, due 02/15/2023 | 1.28 |
| U.S. Treasury Bond, 4.37%, due 02/15/2038 | 0.97 |
| U.S. Treasury Bond, Principal Only STRIPS, due 11/15/2030 | 0.94 |
| U.S. Treasury Bond, 2.87%, due 05/15/2043 | 0.87 |
| Residual Funding Corp., Principal Only STRIPS, due 07/15/2020 | 0.84 |
| U.S. Treasury Bond, 4.50%, due 08/15/2039 | 0.79 |
| U.S. Treasury Bond, Principal Only STRIPS, due 02/15/2032 | 0.79 |
| U.S. Treasury Bond, Principal Only STRIPS, due 05/15/2023 | 0.77 |
| U.S. Treasury Bond, Principal Only STRIPS, due 11/15/2031 | 0.72 |
| U.S. Treasury Note, 2.00%, due 11/15/2021 | 0.68 |
| Percentage of total portfolio | 8.65 |

Holdings are subject to change and are not recommendations to buy or sell a security. Holdings display excludes net other assets (liabilities).

*All facts, statistics and information presented are those of the underlying portfolio in which the investment option invests. This underlying portfolio is only offered as an investment option within a variable annuity contract.

Risk measures are in comparison to the fund's primary benchmark unless otherwise indicated. Based on the indicated class shares at NAV for the 3-year period. **Past performance is no indication of future results.**

Not insured by FDIC or any federal government agency. May lose value.

Not a deposit of or guaranteed by any bank, bank affiliate, or credit union.

Investment Strategy

The portfolio's sub-adviser, J.P. Morgan Investment Management Inc. (the "sub-adviser"), seeks to achieve the portfolio's objective by investing, under normal circumstances, at least 80% of the portfolio's net assets (plus the amount of borrowings, if any, for investment purposes) in bonds, including (without limitation):

- U.S. government securities, including Treasury obligations and government sponsored enterprises such as Fannie Mae, Ginnie Mae, Freddie Mac and securities issued by other government agencies and instrumentalities
- Medium- to high-quality corporate bonds
- Mortgage-backed securities, including U.S. agency and non-agency pass through and collateralized mortgage obligations (CMOs)
- Asset-backed securities
- Commercial mortgage-backed securities (CMBS)

Generally, such bonds will have intermediate to long maturities.

To a lesser extent, the portfolio may invest in:

- U.S. dollar-denominated foreign bonds
- Short-term securities, including agency discount notes, commercial paper and money market funds

Average Maturity is computed by weighting the maturity of each security in the portfolio by the market value of the security, then averaging these weighted figures.

Average Duration is a time measure of a bond's interest-rate sensitivity, based on the weighted average of the time periods over which a bond's cash flows accrue to the bondholder.

Alpha is a coefficient measuring the portion of a fund's return arising from specific (non-market) risk. Historical **Beta** illustrates a fund's sensitivity to price movements in relation to a benchmark index. **R-Squared** is a statistical measure that represents the percentage of a fund's movements that can be explained by movements in a benchmark index. **Standard Deviation** is a statistical measurement that helps to gauge the fund's historical volatility.

Variable annuities are long-term tax deferred vehicles designed for retirement purposes. They offer three main benefits: tax-deferred treatment of earnings, guaranteed death benefit options, and guaranteed lifetime payout options. Variable annuities are subject to investment risk, including possible loss of principal.

The value of the variable annuity will fluctuate so that when surrendered, it may be worth more or less than the total of premium payments. Past performance is no guarantee of future results.

Investing in bond funds entails interest rate and credit risk as well as additional risks in that it may invest in high-yield/high-risk bonds and is subject to greater levels of liquidity risk, which are described in more detail in the prospectus.

A number of investment options, or subaccounts, are available under the variable annuity.

There are other investment choices available with different management fees associated with each choice.

The Bloomberg Barclays US Aggregate Bond Index is an unmanaged index used as a general measure of market performance. It is not possible to invest directly into an index.

You should consider a variable annuity's investment objectives, risks, charges, and expenses carefully before investing. Go to transamerica.com for prospectuses containing this and other information. Please read them carefully.