Dreyfus Variable Investment Fund, Appreciation Portfolio

SEMIANNUAL REPORT
June 30, 2018

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Contents

THE FUND

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A LETTER FROM THE PRESIDENT OF DREYFUS

Dear Shareholder:

We are pleased to present this semiannual report for Dreyfus Variable Investment Fund, Appreciation Portfolio, covering the six-month period from January 1, 2018 through June 30, 2018. For information about how the fund performed during the reporting period, as well as general market perspectives, we provide a Discussion of Fund Performance on the pages that follow.

Volatility returned to the financial markets over the first half of 2018. Although stocks set a series of new record highs in January amid growing corporate earnings, reduced corporate tax rates and synchronized global economic growth, investors later grew nervous about rising interest rates, renewed inflationary pressures, escalating geopolitical tensions and the prospects of more protectionist U.S. trade policies. Consequently, U.S. stocks produced mildly positive returns over the reporting period. Meanwhile, bonds typically lost a degree of value over the first six months of the year due to rising interest rates and inflation concerns.

Despite the return of heightened market volatility, we believe that underlying market fundamentals remain sound. Ongoing economic growth, robust labor markets, rising corporate earnings and strong consumer and business confidence seem likely to support stock and corporate bond prices over the months ahead. Monetary policymakers have indicated that short-term interest rates probably will rise further, but U.S. government bond prices may already reflect those expectations. As always, we encourage you to discuss the risks and opportunities of today's investment environment with your financial advisor.

Thank you for your continued confidence and support.

Sincerely,

Renee Laroche-Morris
President
The Dreyfus Corporation
July 16, 2018

For the period from January 1, 2018 through June 30, 2018, as provided by portfolio manager Fayez Sarofim of Fayez Sarofim & Co., Sub-Investment Adviser

Market and Fund Performance Overview

For the six-month period ended June 30, 2018, Dreyfus Variable Investment Fund, Appreciation Portfolio's Initial shares achieved a total return of 1.15%, and its Service shares achieved a total return of 1.04%.[1] In comparison, the fund's benchmark, the S&P 500® Index (the "Index"), produced a total return of 2.65% for the same period.[2]

U.S. stocks posted mild gains during the reporting period amid sustained economic growth, rising interest rates, and intensifying trade tensions. The fund underperformed its benchmark, largely due to overweighted exposure to the consumer staples sector and stock selection shortfalls in the health care and consumer discretionary sectors.

The Fund's Investment Approach

The fund seeks long-term capital growth consistent with the preservation of capital. Its secondary goal is current income. To pursue these goals, the fund normally invests at least 80% of its net assets in common stocks. The fund focuses on blue-chip companies with total market capitalizations of more than $5 billion at the time of purchase, including multinational companies. These are established companies that have demonstrated sustained patterns of profitability, strong balance sheets, an expanding global presence, and the potential to achieve predictable, above-average earnings growth.

In choosing stocks, we identify economic sectors we believe will expand over the next three to five years or longer. Using fundamental analysis, we then seek companies within these sectors that have proven track records and dominant positions in their industries. The fund employs a "buy-and-hold" investment strategy, which generally has resulted in an annual portfolio turnover rate of below 15%. A low portfolio turnover rate helps reduce the fund's trading costs and can help limit the distribution of capital gains generated due to portfolio turnover.[3]

Stocks Fluctuated Amid Uncertainty

After a volatile first quarter that saw the Index experience one of its fastest 10% corrections on record, U.S. stocks recovered over the second quarter to close the first half of 2018 on a mildly positive note. The market advanced even as trade conflicts heated up, the Federal Reserve Board increased the pace of monetary tightening, and political risks resurfaced in the Eurozone. Market leadership rotated as the reporting period progressed, but the consumer discretionary and information technology sectors ranked as the Index's strongest sectors for the reporting period overall. The energy sector also outperformed market averages, aided by a rally in crude oil prices. The consumer staples and telecommunication services sectors were the weakest sectors and, along with the industrials, financials and materials sectors, posted losses.

Fund Strategies Produced Mixed Results

The fund registered a modest gain for the reporting period, but it lagged the Index. The primary factor detracting from relative performance was overweighted representation in the consumer staples sector, particularly in the weak tobacco and beverages industries. Another impediment was our security selections in the health care sector, which focused on global pharmaceutical companies rather than health care equipment producers. Relative performance also was constrained by underweighted exposure to Internet retailers in the consumer discretionary sector.

The largest individual detractors from returns over the reporting period included Philip Morris International, Altria Group, Comcast, Chubb, and Novo Nordisk.

The fund produced better results in other areas. Most notably, the fund benefited from a limited and selective presence in the industrials sector, which was pressured by higher tariffs and rising fuel prices. Avoiding the conglomerates and machinery segments was particularly beneficial. An above-market allocation to the information technology sector also was advantageous, and this benefit was amplified by favorable stock selections within the sector. Technology holdings such as Visa, ASML, Automatic Data Processing, and Apple generated double-digit returns for the reporting period. Favorable stock selections among financial companies and lack of exposure to the telecommunication services sector also added value. Holdings making the largest positive contributions to the fund's return included Microsoft, Apple, Twenty-First Century Fox, Facebook, and Visa.

Industry Leaders Can Weather Macroeconomic Headwinds

Recent market turbulence notwithstanding, we believe that the foundation for a continued market advance remains solid: the U.S. economy and underlying corporate fundamentals remain healthy, and equity valuations have become more attractive. Nevertheless, investors remain nervous and alert to signs of rising inflation, escalating trade tensions, and the stresses of generally tighter financial conditions.

The high-quality industry leaders in the fund's portfolio have the financial strength and flexibility to help weather volatility surrounding these concerns. Their ability to manage increasing costs based on their scale, strong balance sheets, and management resources positions them to sustain earnings growth as interest rates rise. Furthermore, these businesses are generating record cash flows and enhancing shareholder value through dividend increases and share buybacks. Given the deep financial resources, earnings outlook and capital deployment acumen of the companies in the fund, we remain confident in its ability to deliver superior, risk-adjusted returns over the longer term.

July 16, 2018

1 *Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost. The fund's performance does not reflect the deduction of additional charges and expenses imposed in connection with investing in variable insurance contracts, which will reduce returns.*

2 *Source: Lipper Inc. — The S&P 500® Index is widely regarded as the best single gauge of large-cap U.S. equities. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. Investors cannot invest directly in any index.*

3 *Achieving tax efficiency is not a part of the fund's investment objective, and there can be no guarantee that the fund will achieve any particular level of taxable distributions in future years. In periods when the manager has to sell significant amounts of securities (e.g., during periods of significant net redemptions or changes in index components), the fund can be expected to be less tax efficient than during periods of more stable market conditions and asset flows.*

Equities are subject generally to market, market sector, market liquidity, issuer, and investment style risks, among other factors, to varying degrees, all of which are more fully described in the fund's prospectus.

The fund is only available as a funding vehicle under variable life insurance policies or variable annuity contracts issued by insurance companies. Individuals may not purchase shares of the fund directly. A variable annuity is an insurance contract issued by an insurance company that enables investors to accumulate assets on a tax-deferred basis for retirement or other long-term goals. The investment objective and policies of Dreyfus Variable Investment Fund, Appreciation Portfolio made available through insurance products may be similar to those of other funds managed by Dreyfus. However, the investment results of the fund may be higher or lower than, and may not be comparable to, those of any other Dreyfus fund.

UNDERSTANDING YOUR FUND'S EXPENSES (Unaudited)

As a mutual fund investor, you pay ongoing expenses, such as management fees and other expenses. Using the information below, you can estimate how these expenses affect your investment and compare them with the expenses of other funds. You also may pay one-time transaction expenses, including sales charges (loads), redemption fees and expenses associated with variable annuity or insurance contracts, which are not shown in this section and would have resulted in higher total expenses. For more information, see your fund's prospectus or talk to your financial adviser.

Review your fund's expenses

The table below shows the expenses you would have paid on a $1,000 investment in Dreyfus Variable Investment Fund, Appreciation Portfolio from January 1, 2018 to June 30, 2018. It also shows how much a $1,000 investment would be worth at the close of the period, assuming actual returns and expenses.

Expenses and Value of a $1,000 Investment
assuming actual returns for the six months ended June 30, 2018

	Initial Shares	Service Shares
Expenses paid per $1,000†	$ 4.04	$ 5.28
Ending value (after expenses)	$ 1,011.50	$ 1,010.40

COMPARING YOUR FUND'S EXPENSES WITH THOSE OF OTHER FUNDS (Unaudited)

Using the SEC's method to compare expenses

The Securities and Exchange Commission ("SEC") has established guidelines to help investors assess fund expenses. Per these guidelines, the table below shows your fund's expenses based on a $1,000 investment, assuming a hypothetical 5% annualized return. You can use this information to compare the ongoing expenses (but not transaction expenses or total cost) of investing in the fund with those of other funds. All mutual fund shareholder reports will provide this information to help you make this comparison. Please note that you cannot use this information to estimate your actual ending account balance and expenses paid during the period.

Expenses and Value of a $1,000 Investment
assuming a hypothetical 5% annualized return for the six months ended June 30, 2018

	Initial Shares	Service Shares
Expenses paid per $1,000†	$ 4.06	$ 5.31
Ending value (after expenses)	$ 1,020.78	$ 1,019.54

† *Expenses are equal to the fund's annualized expense ratio of .81% for Initial shares and 1.06% for Service shares, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).*

STATEMENT OF INVESTMENTS
June 30, 2018 (Unaudited)

Description	Shares	Value ($)
Common Stocks - 99.7%		
Banks - 4.5%		
JPMorgan Chase & Co.	129,075	13,449,615
Wells Fargo & Co.	80,375	4,455,990
		17,905,605
Capital Goods - 1.6%		
United Technologies	51,075	**6,385,907**
Commercial & Professional Services - .7%		
Verisk Analytics	23,740 [a]	**2,555,374**
Consumer Durables & Apparel - 3.2%		
Hermes International	2,677	1,637,506
LVMH Moet Hennessy Louis Vuitton	15,500	5,162,383
NIKE, Cl. B	71,615	5,706,283
		12,506,172
Consumer Services - 1.4%		
McDonald's	35,925	**5,629,088**
Diversified Financials - 9.2%		
American Express	69,625	6,823,250
BlackRock	20,000	9,980,800
Intercontinental Exchange	66,450	4,887,398
S&P Global	35,425	7,222,803
State Street	80,425	7,486,763
		36,401,014
Energy - 7.0%		
Chevron	82,300	10,405,189
ConocoPhillips	76,500	5,325,930
Exxon Mobil	140,739	11,643,337
		27,374,456
Food, Beverage & Tobacco - 15.7%		
Altria Group	179,150	10,173,929
Anheuser-Busch InBev, ADR	37,400 [b]	3,768,424
Coca-Cola	230,750	10,120,695
Constellation Brands, Cl. A	23,100	5,055,897
Nestle, ADR	103,425	8,008,198
PepsiCo	63,000	6,858,810
Philip Morris International	219,775	17,744,633
		61,730,586
Health Care Equipment & Services - 2.9%		
Abbott Laboratories	105,675	6,445,118
UnitedHealth Group	20,500	5,029,470
		11,474,588
Household & Personal Products - 2.9%		
Estee Lauder, Cl. A	79,475	**11,340,288**

Description	7-Day Yield (%)	Shares	Value ($)
Common Stocks - 99.7% (continued)			
Insurance - 2.6%			
Chubb		81,750	**10,383,885**
Materials - 2.0%			
Air Products & Chemicals		9,925	1,545,620
Praxair		41,000	6,484,150
			8,029,770
Media - 5.6%			
Comcast, Cl. A		272,840	8,951,880
Twenty-First Century Fox, Cl. A		139,811	6,947,209
Walt Disney		58,825	6,165,448
			22,064,537
Pharmaceuticals, Biotechnology & Life Sciences - 5.1%			
AbbVie		86,725	8,035,071
Novartis, ADR		12,550	948,027
Novo Nordisk, ADR		139,250	6,422,210
Roche Holding, ADR		169,550	4,684,667
			20,089,975
Retailing - 1.3%			
Amazon.com		3,100 [a]	**5,269,380**
Semiconductors & Semiconductor Equipment - 5.7%			
ASML Holding		37,375 [b]	7,399,129
Infineon Technologies, ADR		50,000	1,278,500
Texas Instruments		125,875	13,877,719
			22,555,348
Software & Services - 19.1%			
Alphabet, Cl. C		13,544 [a]	15,110,364
Automatic Data Processing		17,090	2,292,453
Facebook, Cl. A		116,285 [a]	22,596,501
Microsoft		238,835	23,551,519
Visa, Cl. A		87,525 [b]	11,592,686
			75,143,523
Technology Hardware & Equipment - 6.0%			
Apple		126,950	**23,499,714**
Transportation - 3.2%			
Canadian Pacific Railway		30,575	5,595,837
Union Pacific		50,250	7,119,420
			12,715,257
Total Common Stocks (cost $170,919,516)			**393,054,467**
Other Investment - .2%			
Registered Investment Company;			
Dreyfus Institutional Preferred Government Plus Money Market Fund (cost $1,044,075)	1.83	1,044,075 [c]	**1,044,075**

Description	7-Day Yield (%)	Shares	Value ($)
Investment of Cash Collateral for Securities Loaned - .9%			
Registered Investment Company;			
Dreyfus Institutional Preferred Government Money Market Fund, Institutional Shares (cost $3,414,131)	1.85	3,414,131 [c]	**3,414,131**
Total Investments (cost $175,377,722)		**100.8%**	**397,512,673**
Liabilities, Less Cash and Receivables		**(.8%)**	**(3,183,156)**
Net Assets		**100.0%**	**394,329,517**

ADR—American Depository Receipt

[a] *Non-income producing security.*

[b] *Security, or portion thereof, on loan. At June 30, 2018, the value of the fund's securities on loan was $22,199,980 and the value of the collateral held by the fund was $22,502,272, consisting of cash collateral of $3,414,131 and U.S. Government & Agency securities valued at $19,088,141.*

[c] *Investment in affiliated issuer. The investment objective of this investment company is publicly available and can be found within the respective investment company's prospectus.*

Portfolio Summary (Unaudited) †	Value (%)
Software & Services	19.1
Food, Beverage & Tobacco	15.7
Diversified Financials	9.2
Energy	7.0
Technology Hardware & Equipment	6.0
Semiconductors & Semiconductor Equipment	5.7
Media	5.6
Pharmaceuticals, Biotechnology & Life Sciences	5.1
Banks	4.5
Transportation	3.2
Consumer Durables & Apparel	3.2
Health Care Equipment & Services	2.9
Household & Personal Products	2.9
Insurance	2.6
Materials	2.0
Capital Goods	1.6
Consumer Services	1.4
Retailing	1.3
Money Market Investments	1.1
Commercial & Professional Services	.7
	100.8

† *Based on net assets.*

See notes to financial statements.

STATEMENT OF INVESTMENTS IN AFFILIATED ISSUERS
(Unaudited)

Registered Investment Companies	Value 12/31/17($)	Purchases($)	Sales ($)	Value 6/30/18($)	Net Assets(%)	Dividends/ Distributions($)
Dreyfus Institutional Preferred Government Money Market Fund, Institutional Shares	-	35,420,470	32,006,339	3,414,131	.9	-
Dreyfus Institutional Preferred Government Plus Money Market Fund	1,867,769	19,155,405	19,979,099	1,044,075	.2	11,429
Total	**1,867,769**	**54,575,875**	**51,985,438**	**4,458,206**	**1.1**	**11,429**

See notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2018 (Unaudited)

	Cost	Value
Assets ($):		
Investments in securities—See Statement of Investments		
(including securities on loan, valued at $22,199,980)—Note 1(c):		
Unaffiliated issuers	170,919,516	393,054,467
Affiliated issuers	4,458,206	4,458,206
Cash		6,743
Dividends and securities lending income receivable		838,984
Receivable for investment securities sold		638,328
Prepaid expenses		2,907
		398,999,635
Liabilities ($):		
Due to The Dreyfus Corporation and affiliates—Note 3(b)		216,795
Due to Fayez Sarofim & Co.		71,746
Liability for securities on loan—Note 1(c)		3,414,131
Payable for shares of Beneficial Interest redeemed		920,325
Trustees fees and expenses payable		915
Accrued expenses		46,206
		4,670,118
Net Assets ($)		**394,329,517**
Composition of Net Assets ($):		
Paid-in capital		151,553,000
Accumulated undistributed investment income—net		376,934
Accumulated net realized gain (loss) on investments		20,264,514
Accumulated net unrealized appreciation (depreciation)		
on investments and foreign currency transactions		222,135,069
Net Assets ($)		**394,329,517**

Net Asset Value Per Share	Initial Shares	Service Shares
Net Assets ($)	258,687,564	135,641,953
Shares Outstanding	6,606,168	3,497,434
Net Asset Value Per Share ($)	**39.16**	**38.78**

See notes to financial statements.

STATEMENT OF OPERATIONS

Six Months Ended June 30, 2018 (Unaudited)

Investment Income ($):	
Income:	
Cash dividends (net of $156,938 foreign taxes withheld at source):	
Unaffiliated issuers	4,452,388
Affiliated issuers	11,429
Income from securities lending—Note 1(c)	14,522
Total Income	**4,478,339**
Expenses:	
Investment advisory fee—Note 3(a)	1,070,315
Sub-investment advisory fee—Note 3(a)	437,171
Distribution fees—Note 3(b)	173,220
Professional fees	48,612
Prospectus and shareholders' reports	24,562
Trustees' fees and expenses—Note 3(c)	15,702
Custodian fees—Note 3(b)	9,874
Loan commitment fees—Note 2	4,295
Shareholder servicing costs—Note 3(b)	1,061
Miscellaneous	24,882
Total Expenses	**1,809,694**
Less—reduction in fees due to earnings credits—Note 3(b)	(92)
Net Expenses	**1,809,602**
Investment Income—Net	**2,668,737**
Realized and Unrealized Gain (Loss) on Investments—Note 4 ($):	
Net realized gain (loss) on investments and foreign currency transactions	20,332,502
Net unrealized appreciation (depreciation) on investments and foreign currency transactions	(18,286,262)
Net Realized and Unrealized Gain (Loss) on Investments	**2,046,240**
Net Increase in Net Assets Resulting from Operations	**4,714,977**

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2018 (Unaudited)	Year Ended December 31, 2017
Operations ($):		
Investment income—net	2,668,737	5,173,319
Net realized gain (loss) on investments	20,332,502	50,697,356
Net unrealized appreciation (depreciation) on investments	(18,286,262)	42,703,302
Net Increase (Decrease) in Net Assets Resulting from Operations	**4,714,977**	**98,573,977**
Distributions to Shareholders from ($):		
Investment income—net:		
Initial Shares	(1,819,354)	(3,397,259)
Service Shares	(785,683)	(1,710,007)
Net realized gain on investments:		
Initial Shares	(33,250,618)	(32,675,856)
Service Shares	(17,449,259)	(22,119,380)
Total Distributions	**(53,304,914)**	**(59,902,502)**
Beneficial Interest Transactions ($):		
Net proceeds from shares sold:		
Initial Shares	3,354,469	7,444,269
Service Shares	4,712,813	8,089,313
Distributions reinvested:		
Initial Shares	35,069,972	36,073,115
Service Shares	18,234,942	23,829,387
Cost of shares redeemed:		
Initial Shares	(19,635,689)	(35,224,654)
Service Shares	(16,092,237)	(61,387,520)
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	**25,644,270**	**(21,176,090)**
Total Increase (Decrease) in Net Assets	**(22,945,667)**	**17,495,385**
Net Assets ($):		
Beginning of Period	417,275,184	399,779,799
End of Period	**394,329,517**	**417,275,184**
Undistributed investment income—net	376,934	313,234
Capital Share Transactions (Shares):		
Initial Shares		
Shares sold	78,623	177,820
Shares issued for distributions reinvested	919,599	937,609
Shares redeemed	(471,225)	(847,904)
Net Increase (Decrease) in Shares Outstanding	**526,997**	**267,525**
Service Shares		
Shares sold	115,344	198,043
Shares issued for distributions reinvested	482,893	625,749
Shares redeemed	(382,133)	(1,507,252)
Net Increase (Decrease) in Shares Outstanding	**216,104**	**(683,460)**

See notes to financial statements.

FINANCIAL HIGHLIGHTS

The following tables describe the performance for each share class for the fiscal periods indicated. All information (except portfolio turnover rate) reflects financial results for a single fund share. Total return shows how much your investment in the fund would have increased (or decreased) during each period, assuming you had reinvested all dividends and distributions. The fund's total returns do not reflect expenses associated with variable annuity or insurance contracts. These figures have been derived from the fund's financial statements.

Initial Shares	Six Months Ended June 30, 2018 (Unaudited)	Year Ended December 31, 2017	2016	2015	2014	2013
Per Share Data ($):						
Net asset value, beginning of period	44.71	41.01	45.23	49.51	47.95	40.47
Investment Operations:						
Investment income—net[a]	.30	.56	.68	.80	.89	.86
Net realized and unrealized gain (loss) on investments	.05	9.55	2.48	(1.97)	2.86	7.59
Total from Investment Operations	.35	10.11	3.16	(1.17)	3.75	8.45
Distributions:						
Dividends from investment income—net	(.29)	(.57)	(.69)	(.81)	(.90)	(.87)
Dividends from net realized gain on investments	(5.61)	(5.84)	(6.69)	(2.30)	(1.29)	(.10)
Total Distributions	(5.90)	(6.41)	(7.38)	(3.11)	(2.19)	(.97)
Net asset value, end of period	39.16	44.71	41.01	45.23	49.51	47.95
Total Return (%)	1.15[b]	27.33	7.91	(2.47)	8.09	21.11
Ratios/Supplemental Data (%):						
Ratio of total expenses to average net assets	.81[c]	.81	.82	.80	.80	.81
Ratio of net expenses to average net assets	.81[c]	.81	.82	.80	.80	.81
Ratio of net investment income to average net assets	1.41[c]	1.35	1.64	1.70	1.84	1.95
Portfolio Turnover Rate	2.83[b]	3.97	4.19	11.97	3.65	7.71
Net Assets, end of period ($ x 1,000)	258,688	271,790	238,340	256,828	329,802	360,197

[a] *Based on average shares outstanding.*
[b] *Not annualized.*
[c] *Annualized.*
See notes to financial statements.

Service Shares	Six Months Ended June 30, 2018 (Unaudited)	Year Ended December 31, 2017	2016	2015	2014	2013
Per Share Data ($):						
Net asset value, beginning of period	44.34	40.72	44.96	49.23	47.69	40.25
Investment Operations:						
Investment income—net[a]	.24	.46	.57	.68	.76	.75
Net realized and unrealized gain (loss) on investments	.05	9.46	2.46	(1.96)	2.85	7.55
Total from Investment Operations	.29	9.92	3.03	(1.28)	3.61	8.30
Distributions:						
Dividends from investment income—net	(.24)	(.46)	(.58)	(.69)	(.78)	(.76)
Dividends from net realized gain on investments	(5.61)	(5.84)	(6.69)	(2.30)	(1.29)	(.10)
Total Distributions	(5.85)	(6.30)	(7.27)	(2.99)	(2.07)	(.86)
Net asset value, end of period	38.78	44.34	40.72	44.96	49.23	47.69
Total Return (%)	1.04[b]	27.00	7.64	(2.72)	7.83	20.83
Ratios/Supplemental Data (%):						
Ratio of total expenses to average net assets	1.06[c]	1.06	1.07	1.05	1.05	1.06
Ratio of net expenses to average net assets	1.06[c]	1.06	1.07	1.05	1.05	1.06
Ratio of net investment income to average net assets	1.16[c]	1.11	1.41	1.45	1.59	1.70
Portfolio Turnover Rate	2.83[b]	3.97	4.19	11.97	3.65	7.71
Net Assets, end of period ($ x 1,000)	135,642	145,485	161,440	231,421	264,795	254,928

[a] *Based on average shares outstanding.*
[b] *Not annualized.*
[c] *Annualized.*
See notes to financial statements.

NOTE 1—Significant Accounting Policies:

Appreciation Portfolio (the "fund") is a separate diversified series of Dreyfus Variable Investment Fund (the "Company"), which is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company and operates as a series company currently offering seven series, including the fund. The fund is only offered to separate accounts established by insurance companies to fund variable annuity contracts and variable life insurance policies. The fund's investment objective is to seek long-term capital growth consistent with the preservation of capital. The Dreyfus Corporation (the "Manager" or "Dreyfus"), a wholly-owned subsidiary of The Bank of New York Mellon Corporation ("BNY Mellon"), serves as the fund's investment adviser. Fayez Sarofim & Co. ("Sarofim & Co.") serves as the fund's sub–investment adviser.

MBSC Securities Corporation (the "Distributor"), a wholly-owned subsidiary of Dreyfus, is the distributor of the fund's shares, which are sold without a sales charge. The fund is authorized to issue an unlimited number of $.001 par value shares of Beneficial Interest in each of the following classes of shares: Initial and Service. Each class of shares has identical rights and privileges, except with respect to the Distribution Plan, and the expenses borne by each class, the allocation of certain transfer agency costs, and certain voting rights. Income, expenses (other than expenses attributable to a specific class), and realized and unrealized gains or losses on investments are allocated to each class of shares based on its relative net assets.

The Company accounts separately for the assets, liabilities and operations of each series. Expenses directly attributable to each series are charged to that series' operations; expenses which are applicable to all series are allocated among them on a pro rata basis.

The Financial Accounting Standards Board ("FASB") Accounting Standards Codification is the exclusive reference of authoritative U.S. generally accepted accounting principles ("GAAP") recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the Securities and Exchange Commission ("SEC") under authority of federal laws are also sources of authoritative GAAP for SEC registrants. The fund's financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

The Company enters into contracts that contain a variety of indemnifications. The fund's maximum exposure under these arrangements is unknown. The fund does not anticipate recognizing any loss related to these arrangements.

(a) Portfolio valuation: The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). GAAP establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Additionally, GAAP provides guidance on determining whether the volume and activity in a market has decreased significantly and whether such a decrease in activity results in transactions that are not orderly. GAAP requires enhanced disclosures around valuation inputs and techniques used during annual and interim periods.

Various inputs are used in determining the value of the fund's investments relating to fair value measurements. These inputs are summarized in the three broad levels listed below:

Level 1—unadjusted quoted prices in active markets for identical investments.

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

Level 3—significant unobservable inputs (including the fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. Valuation techniques used to value the fund's investments are as follows:

Investments in securities are valued at the last sales price on the securities exchange or national securities market on which such securities are primarily traded. Securities listed on the National Market System for which market quotations are available are valued at the official closing price or, if there is no official closing price that day, at the last sales price. For open short positions, asked prices are used for valuation purposes. Bid price is used when no asked price is available. Registered investment companies that are not traded on an exchange are valued at their net asset value. All of the preceding securities are generally categorized within Level 1 of the fair value hierarchy.

Securities not listed on an exchange or the national securities market, or securities for which there were no transactions, are valued at the average of the most recent bid and asked prices. These securities are generally categorized within Level 2 of the fair value hierarchy.

Fair valuing of securities may be determined with the assistance of a pricing service using calculations based on indices of domestic securities and other appropriate indicators, such as prices of relevant ADRs and futures. Utilizing these techniques may result in transfers between Level 1 and Level 2 of the fair value hierarchy.

When market quotations or official closing prices are not readily available, or are determined not to accurately reflect fair value, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded (for example, a foreign exchange or market), but before the fund calculates its net asset value, the fund may value these investments at fair value as determined in accordance with the procedures approved by the Company's Board of Trustees (the "Board"). Certain factors may be considered when fair valuing investments such as: fundamental analytical data, the nature and duration of restrictions on disposition, an evaluation of the forces that influence the market in which the securities are purchased and sold, and public trading in similar securities of the issuer or comparable issuers. These securities are either categorized within Level 2 or 3 of the fair value hierarchy depending on the relevant inputs used.

For restricted securities where observable inputs are limited, assumptions about market activity and risk are used and such securities are generally categorized within Level 3 of the fair value hierarchy.

Investments denominated in foreign currencies are translated to U.S. dollars at the prevailing rates of exchange.

The following is a summary of the inputs used as of June 30, 2018 in valuing the fund's investments:

	Level 1 - Unadjusted Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 – Significant Unobservable Inputs	Total
Assets ($)				
Investments in Securities:				
Equity Securities - Domestic Common Stocks†	348,149,586	-	-	**348,149,586**
Equity Securities - Foreign Common Stocks†	44,904,881	-	-	**44,904,881**
Registered Investment Companies	4,458,206	-	-	**4,458,206**

† *See Statement of Investments for additional detailed categorizations.*

At December 31, 2017, $5,986,088 of exchange traded foreign equity securities were classified within Level 2 of the fair value hierarchy pursuant to the fund's fair valuation procedures. It is the fund's policy to recognize transfers between levels at the end of the reporting period.

(b) Foreign currency transactions: The fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in the market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss on investments.

Net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized on securities transactions between trade and settlement date, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities other than investments resulting from changes in exchange rates. Foreign currency gains and losses on foreign currency transactions are also included with net realized and unrealized gain or loss on investments.

(c) Securities transactions and investment income: Securities transactions are recorded on a trade date basis. Realized gains and losses from securities transactions are recorded on the identified cost basis. Dividend income is recognized on the ex-dividend date and interest income, including, where applicable, accretion of discount and amortization of premium on investments, is recognized on the accrual basis.

Pursuant to a securities lending agreement with The Bank of New York Mellon, a subsidiary of BNY Mellon and an affiliate of Dreyfus, the fund may lend securities to qualified institutions. It is the fund's policy that, at origination, all loans are secured by collateral of at least 102% of the value of U.S. securities loaned and 105% of the value of foreign securities loaned. Collateral equivalent to at least 100% of the market value of securities on loan is maintained at all times. Collateral is either in the form of cash, which can be invested in certain money market mutual funds managed by Dreyfus, or U.S. Government and Agency securities. The fund is entitled to receive all dividends, interest and distributions on securities loaned, in addition to income earned as a result of the lending transaction. Should a borrower fail to return the securities in a timely manner, The Bank of New York Mellon is required to replace the securities for the benefit of the fund or credit the fund with the market value of the unreturned securities and is subrogated to the fund's rights against the borrower and the collateral. Additionally, the contractual maturity of security lending transactions are on an overnight and continuous basis. During the period ended June 30, 2018, The Bank of New York Mellon earned $3,083 from lending portfolio securities, pursuant to the securities lending agreement.

(d) Affiliated issuers: Investments in other investment companies advised by Dreyfus are defined as "affiliated" under the Act.

(e) Dividends and distributions to shareholders: Dividends and distributions are recorded on the ex-dividend date. Dividends from investment income-net are normally declared and paid quarterly. Dividends from net realized capital gains, if any, are normally declared and paid annually, but the fund may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code of 1986, as amended (the "Code"). To the extent that net realized capital gains can be offset by capital loss carryovers, it is the policy of the fund not to distribute such gains. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

(f) Federal income taxes: It is the policy of the fund to continue to qualify as a regulated investment company, if such qualification is in the best interests of its shareholders, by complying with the applicable provisions of the Code, and to make distributions of taxable income sufficient to relieve it from substantially all federal income and excise taxes.

As of and during the period ended June 30, 2018, the fund did not have any liabilities for any uncertain tax positions. The fund recognizes interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statement of Operations. During the period ended June 30, 2018, the fund did not incur any interest or penalties.

Each tax year in the three-year period ended December 31, 2017 remains subject to examination by the Internal Revenue Service and state taxing authorities.

The tax character of distributions paid to shareholders during the fiscal year ended December 31, 2017 was as follows: ordinary income $5,358,909 and long-term capital gains $54,543,593. The tax character of current year distributions will be determined at the end of the current fiscal year.

NOTE 2—Bank Lines of Credit:

The fund participates with other Dreyfus-managed funds in an $830 million unsecured credit facility led by Citibank, N.A. and a $300 million unsecured credit facility provided by The Bank of New York Mellon (each, a "Facility"), each to be utilized primarily for temporary or emergency purposes, including the financing of redemptions. In connection therewith, the fund has agreed to pay its pro rata portion of commitment fees for each Facility. Interest is charged to the fund based on rates determined pursuant to the terms of the respective Facility at the time of borrowing. During the period ended June 30, 2018, the fund did not borrow under the Facilities.

NOTE 3—Investment Advisory Fee, Sub-Investment Advisory Fee and Other Transactions with Affiliates:

(a) Pursuant to an investment advisory agreement with Dreyfus, the investment advisory fee is computed at the annual rate of .5325% of the value of the fund's average daily net assets. Pursuant to a sub-investment advisory agreement with Sarofim & Co., the fund pays Sarofim & Co. a monthly sub-investment advisory fee at the annual rate of .2175% of the value of the fund's average daily net assets. Both fees are payable monthly.

(b) Under the Distribution Plan adopted pursuant to Rule 12b-1 under the Act, Service shares pay the Distributor for distributing its shares, for servicing and/or maintaining Service shares' shareholder accounts and for advertising and marketing for Service shares. The Distribution Plan provides for payments to be made at an annual rate of .25% of the value of the Service shares' average daily net assets. The Distributor may make payments to Participating Insurance Companies and to brokers and dealers acting as principal underwriter for their variable insurance products. The fees payable under the Distribution Plan are payable without regard to actual expenses incurred. During the period ended June 30, 2018, Service shares were charged $173,220 pursuant to the Distribution Plan.

The fund has arrangements with the transfer agent and the custodian whereby the fund may receive earnings credits when positive cash balances are maintained, which are used to offset transfer agency and custody fees. For financial reporting purposes, the fund includes net earnings credits as an expense offset in the Statement of Operations.

The fund compensates Dreyfus Transfer, Inc., a wholly-owned subsidiary of Dreyfus, under a transfer agency agreement for providing transfer agency and cash management services for the fund. The majority of transfer agency fees are comprised of amounts paid on a per account basis, while cash management fees are related to fund subscriptions and redemptions. During the period ended June 30, 2018, the fund was charged $847 for transfer agency services and $92 for cash management services. These fees are included in Shareholder servicing costs in the Statement of Operations. Cash management fees were offset by earnings credits of $92.

The fund compensates The Bank of New York Mellon under a custody agreement for providing custodial services for the fund. These fees are determined based on net assets, geographic region and transaction activity. During the period ended June 30, 2018, the fund was charged $9,874 pursuant to the custody agreement.

During the period ended June 30, 2018, the fund was charged $6,320 for services performed by the Chief Compliance Officer and his staff. These fees are included in Miscellaneous in the Statement of Operations.

The components of "Due to The Dreyfus Corporation and affiliates" in the Statement of Assets and Liabilities consist of: investment advisory fees $175,653, Distribution Plan fees $28,431, custodian fees $6,037, Chief Compliance Officer fees $6,320 and transfer agency fees $354.

(c) Each Board member also serves as a Board member of other funds within the Dreyfus complex. Annual retainer fees and attendance fees are allocated to each fund based on net assets.

NOTE 4—Securities Transactions:

The aggregate amount of purchases and sales of investment securities, excluding short-term securities, during the period ended June 30, 2018, amounted to $11,377,901 and $35,179,280, respectively.

At June 30, 2018, accumulated net unrealized appreciation on investments was $222,134,951, consisting of $222,538,034 gross unrealized appreciation and $403,083 gross unrealized depreciation.

At June 30, 2018, the cost of investments for federal income tax purposes was substantially the same as the cost for financial reporting purposes (see the Statement of Investments).

INFORMATION ABOUT THE RENEWAL OF THE FUND'S INVESTMENT ADVISORY AND SUB-INVESTMENT ADVISORY AGREEMENTS (Unaudited)

At a meeting of the fund's Board of Trustees held on February 14-15, 2018, the Board considered the renewal of the fund's Investment Advisory Agreement, pursuant to which Dreyfus provides the fund with investment advisory and administrative services (the "Agreement"), and the Sub-Investment Advisory Agreement (together, the "Agreements"), pursuant to which Fayez Sarofim & Co. (the "Subadviser") provides day-to-day management of the fund's investments. The Board members, none of whom are "interested persons" (as defined in the Investment Company Act of 1940, as amended) of the fund, were assisted in their review by independent legal counsel and met with counsel in executive session separate from representatives of Dreyfus and the Subadviser. In considering the renewal of the Agreements, the Board considered all factors that it believed to be relevant, including those discussed below. The Board did not identify any one factor as dispositive, and each Board member may have attributed different weights to the factors considered.

<u>Analysis of Nature, Extent, and Quality of Services Provided to the Fund.</u> The Board considered information provided to them at the meeting and in previous presentations from Dreyfus representatives regarding the nature, extent, and quality of the services provided to funds in the Dreyfus fund complex. Dreyfus provided the number of open accounts in the fund, the fund's asset size and the allocation of fund assets among distribution channels. Dreyfus also had previously provided information regarding the diverse intermediary relationships and distribution channels of funds in the Dreyfus fund complex (such as retail direct or intermediary, in which intermediaries typically are paid by the fund and/or Dreyfus) and Dreyfus' corresponding need for broad, deep, and diverse resources to be able to provide ongoing shareholder services to each intermediary or distribution channel, as applicable to the fund.

The Board also considered research support available to, and portfolio management capabilities of, the fund's portfolio management personnel and that Dreyfus also provides oversight of day-to-day fund operations, including fund accounting and administration and assistance in meeting legal and regulatory requirements. The Board also considered Dreyfus' extensive administrative, accounting and compliance infrastructures, as well as Dreyfus' supervisory activities over the Subadviser. The Board also considered portfolio management's brokerage policies and practices (including policies and practices regarding soft dollars) and the standards applied in seeking best execution.

<u>Comparative Analysis of the Fund's Performance and Management Fee and Expense Ratio.</u> The Board reviewed reports prepared by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent provider of investment company data, which included information comparing (1) the fund's performance with the performance of a group of comparable funds (the "Performance Group") and with a broader group of funds (the "Performance Universe"), all for various periods ended December 31, 2017, and (2) the fund's actual and contractual management fees and total expenses with those of a group of comparable funds (the "Expense Group") and with a broader group of funds (the

"Expense Universe"), the information for which was derived in part from fund financial statements available to Broadridge as of the date of its analysis. Dreyfus previously had furnished the Board with a description of the methodology Broadridge used to select the Performance Group and Performance Universe and the Expense Group and Expense Universe.

Dreyfus representatives stated that the usefulness of performance comparisons may be affected by a number of factors, including different investment limitations that may be applicable to the fund and comparison funds. The Board discussed with representatives of Dreyfus, its affiliates and/or the Subadviser the results of the comparisons and considered that the fund's total return performance was below the Performance Group median for all periods, except for the one- and two-year periods when it was above the median, and at or above the Performance Universe median for all periods, except for the four- and five-year periods when it was below the median. The Board considered the relative proximity of the fund's performance to the Performance Group and/or Performance Universe median in certain periods when performance was below median. Dreyfus also provided a comparison of the fund's calendar year total returns to the returns of the fund's benchmark index.

The Board also reviewed the range of actual and contractual management fees and total expenses of the Expense Group and Expense Universe funds and discussed the results of the comparisons. The Board considered that: the fund's contractual management fee was below the Expense Group median and the fund's actual management fee and total expenses were slightly above the Expense Group median and above the Expense Universe median.

Dreyfus representatives reviewed with the Board the management or investment advisory fees (1) paid by funds advised or administered by Dreyfus that are in the same Lipper category as the fund and (2) paid to Dreyfus or the Subadviser or its affiliates for advising any separate accounts and/or other types of client portfolios that are considered to have similar investment strategies and policies as the fund (the "Similar Clients"), and explained the nature of the Similar Clients. They discussed differences in fees paid and the relationship of the fees paid in light of any differences in the services provided and other relevant factors. The Board considered the relevance of the fee information provided for the Similar Clients to evaluate the appropriateness of the fund's management fee.

The Board considered the fee to the Subadviser in relation to the fee paid to Dreyfus by the fund and the respective services provided by the Subadviser and Dreyfus.

<u>Analysis of Profitability and Economies of Scale.</u> Dreyfus representatives reviewed the expenses allocated and profit received by Dreyfus and its affiliates and the resulting profitability percentage for managing the fund and the aggregate profitability percentage to Dreyfus and its affiliates for managing the funds in the Dreyfus fund complex, and the method used to determine the expenses and profit. The Board concluded that the profitability results were not unreasonable, given the services rendered and service levels provided by Dreyfus. The Board also had been provided with information prepared by

an independent consulting firm regarding Dreyfus' approach to allocating costs to, and determining the profitability of, individual funds and the entire Dreyfus fund complex. The consulting firm also had analyzed where any economies of scale might emerge in connection with the management of a fund.

The Board considered on the advice of its counsel the profitability analysis (1) as part of its evaluation of whether the fees under the Agreements, considered in relation to the mix of services provided by Dreyfus and the Subadviser, including the nature, extent and quality of such services, supported the renewal of the Agreements and (2) in light of the relevant circumstances for the fund and the extent to which economies of scale would be realized if the fund grows and whether fee levels reflect these economies of scale for the benefit of fund shareholders. Dreyfus representatives stated that a discussion of economies of scale is predicated on a fund having achieved a substantial size with increasing assets and that, if a fund's assets had been stable or decreasing, the possibility that Dreyfus may have realized any economies of scale would be less. Dreyfus representatives also stated that, as a result of shared and allocated costs among funds in the Dreyfus fund complex, the extent of economies of scale could depend substantially on the level of assets in the complex as a whole, so that increases and decreases in complex-wide assets can affect potential economies of scale in a manner that is disproportionate to, or even in the opposite direction from, changes in the fund's asset level. The Board also considered potential benefits to Dreyfus and the Subadviser from acting as investment adviser and sub-investment adviser, respectively, and took into consideration the soft dollar arrangements in effect for trading the fund's investments.

At the conclusion of these discussions, the Board agreed that it had been furnished with sufficient information to make an informed business decision with respect to the renewal of the Agreements. Based on the discussions and considerations as described above, the Board concluded and determined as follows.

- The Board concluded that the nature, extent and quality of the services provided by Dreyfus and the Subadviser are adequate and appropriate.

- The Board was satisfied with the fund's improved performance in recent periods.

- The Board concluded that the fees paid to Dreyfus and the Subadviser continued to be appropriate under the circumstances and in light of the factors and the totality of the services provided as discussed above.

- The Board determined that the economies of scale which may accrue to Dreyfus and its affiliates in connection with the management of the fund had been adequately considered by Dreyfus in connection with the fee rate charged to the fund pursuant to the Agreement and that, to the extent in the future it were determined that material economies of scale had not been shared with the fund, the Board would seek to have those economies of scale shared with the fund.

In evaluating the Agreements, the Board considered these conclusions and determinations and also relied on its previous knowledge, gained through meetings and other interactions with Dreyfus and its affiliates and the Subadviser, of Dreyfus and the Subadviser and the services provided to the fund by Dreyfus and the Subadviser. The Board also relied on information received on a routine and regular basis throughout the year relating to the operations of the fund and the investment management and other services provided under the Agreements, including information on the investment performance of the fund in comparison to similar mutual funds and benchmark performance indices; general market outlook as applicable to the fund; and compliance reports. In addition, the Board's consideration of the contractual fee arrangements for this fund had the benefit of a number of years of reviews of the Agreements for the fund, or substantially similar agreements for other Dreyfus funds that the Board oversees, during which lengthy discussions took place between the Board and Dreyfus representatives. Certain aspects of the arrangements may receive greater scrutiny in some years than in others, and the Board's conclusions may be based, in part, on their consideration of the fund's arrangements, or substantially similar arrangements for other Dreyfus funds that the Board oversees, in prior years. The Board determined to renew the Agreements.

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For More Information

Dreyfus Variable Investment Fund, Appreciation Portfolio

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E-mail Send your request to info@dreyfus.com

Internet Information can be viewed online or downloaded at www.dreyfus.com

The fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The fund's Forms N-Q are available on the SEC's website at http://www.sec.gov and may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

A description of the policies and procedures that the fund uses to determine how to vote proxies relating to portfolio securities, and information regarding how the fund voted these proxies for the most recent 12-month period ended June 30 is available at http://www.dreyfus.com and on the SEC's website at http://www.sec.gov. The description of the policies and procedures is also available without charge, upon request, by calling 1-800-DREYFUS.

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