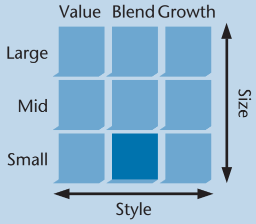
Thrivent Small Cap Index Portfolio

September 30, 2008

Thrivent Financial for Lutherans®

Portfolio Overview

Investment Management Style



Portfolio Information

Inception date:	**06/14/95**
Total Net Assets:	**$273.5 million**
Benchmark:	**S&P Small Cap 600 Index**
Gross Expense Ratio:	**0.39**
Net Expense Ratio:	**0.39**

Investment Objective

Seeks capital growth that tracks the performance of the S&P SmallCap 600 Index by investing primarily in common stocks of the Index.

Investment Strategy

- Invests in small company common stocks included in the S&P SmallCap 600 Index in the proportions in which they are represented in the Index, using a passive approach to managing the portfolios' holdings.
- The Index is adjusted quarterly, and when changes to the Index occur, the Adviser will attempt to replicate these changes within the Fund.

Subaccount Investment Performance*

	3 Mo.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Inception
If contract IS NOT surrendered**	(1.11)%	(8.77)%	(14.88)%	0.52%	8.21%	8.36%	N/A
If contract IS surrendered***	(6.45)%	(13.70)%	(19.47)%	(0.70)%	7.81%	8.36%	N/A
S&P Small Cap 600 Index	(0.85)%	(7.88)%	(13.82)%	2.01%	9.90%	10.05%	—

***All data represents past performance and should not be viewed as an indication of future results. Total investment returns and principal value of an investment will fluctuate and your units, when redeemed, may be worth more or less than your original cost. Current performance may be lower or higher than the performance data quoted. Market volatility can significantly affect short-term performance, and more recent returns may be different from those shown. Call 800-THRIVENT or visit www.thrivent.com for most recent month end performance results. Maximum surrender charge is 7.0%. Other expenses included are the current mortality and expense risk charge of 1.10% and applicable annual portfolio operating expenses ranging from .36% to 1.50%. Annual expenses are subject to change. See the prospectus for detailed information on fees related specifically to this subaccount.**

Periods less than one year are not annualized. Subaccount total return calculations assume an initial investment of $10,000. At various times, the adviser may have contractually or voluntarily reimbursed Portfolio expenses. Had the adviser not done so, the total returns would have been lower. This reimbursement of expenses may be discontinued at any time.

**Non-standardized. Annualized total returns are based on the performance of the Thrivent Financial Flexible Premium Deferred Variable Annuity's underlying portfolio, which was in existence prior to the subaccount's inception on 4/29/05. The date of inception of the portfolio is 06/14/95. Adjustments for possible annual administrative charges or surrender charges have not been included.

***Standardized. The standardized average total returns are calculated from the inception date of the portfolio on 06/14/95. "If the contract is surrendered" values reflect surrender charges applied during the first seven years. These charges are 7 percent in the first contract year, and decrease by 1 percent each subsequent year until they are zero.

The S&P Small Cap 600 Index represents the average performance of a group of 600 small capitalization stocks. An index is unmanaged, and investments cannot be made directly into an index.

Portfolio Management

Kevin R. Brimmer, FSA

Began managing this fund:	2002
Investment experience:	14 years

Risks: The Portfolio is exposed to the risks of investing in equity securities of smaller companies. Small company stock prices are generally more volatile than large company stock prices. While the Portfolio attempts to closely track the S&P Small Cap 600 Index, it does not duplicate the composition of the index. Individuals may not invest directly in any index. Index portfolios are subject to the same market risks associated with the stocks in their respective indexes. These and other risks are described in the prospectus.

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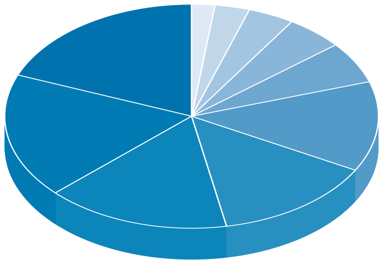
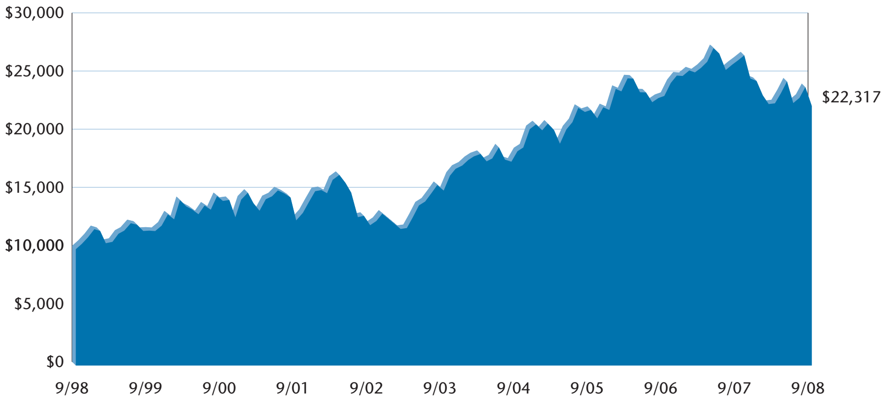
Portfolio Diversification[1]

Financials	19%
Industrials	18%
Information Technology	16%
Consumer Discretionary	14%
Health Care	13%
Energy	6%
Utilities	5%
Consumer Staples	4%
Materials	3%
Cash & Cash Equivalent	2%



Growth of a $10,000 Investment

Value if Contract is Not Surrendered



Performance of other contracts will be greater or less than the line shown based on the differences in contract charges and expenses paid by contractholders.

Calendar Year Total Returns (%)

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
(1.11)	10.80	9.85	5.05	(15.93)	36.44	20.58	6.00	13.30	(1.75)

Assumes the maximum Mortality and Expense charge of 1.25%

Portfolio Statistics[1]

Number of holdings:	**605**
Weighted Average Market Cap:	**$1.0 billion**
Median Market Cap:	**$0.9 billion**
Turnover ratio[2]:	**24%**

Standard Deviation[4]:

3-year	5-year	10-year
13.43%	14.79%	18.85%

Top Ten Holdings

Itron, Inc.	**0.68%**
UGI Corporation	**0.63%**
Senior Housing Property Trust	**0.62%**
Waste Connections, Inc.	**0.61%**
Southern Union Company	**0.58%**
Pediatrix Medical Group, Inc.	**0.55%**
Atmos Energy Corporation	**0.54%**
Unit Corporation	**0.53%**
Flowers Foods, Inc.	**0.53%**
Piedmont Natural Gas Company, Inc.	**0.53%**

[1]This is subject to change.
[2]12-month rolling as of August 2008.
[3]Beta: A measure of the 3-year volatility of an investment compared to the S&P 500 Index.
[4]Standard Deviation: A statistical measure of volatility. The higher the standard deviation, the riskier an investment is considered to be.

Investing in a variable annuity contract involves risk, including the possible loss of principal. More complete information on the investment objectives, risks, charges and expenses of the variable annuity contract and underlying investment options is included in the prospectuses, which investors should read and consider carefully before investing. Prospectuses are available from a Thrivent Financial representative or at *www.thrivent.com.*

Variable insurance products, where available, are offered and underwritten by Thrivent Financial for Lutherans, Appleton, WI 54919-0001 and distributed by Thrivent Investment Management Inc., 625 Fourth Ave. S., Minneapolis, MN 55415-1665, (800-THRIVENT; 800-847-4836), a wholly owned subsidiary of Thrivent Financial for Lutherans. Member FINRA. Member SIPC.