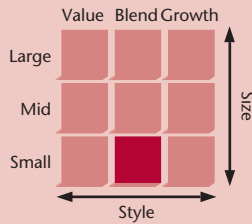


Portfolio Overview

Investment Management Style



Portfolio Information

Inception date: **06/14/95**
 Total Net Assets: **\$301.2 million**
 Benchmark: **S&P Small Cap 600 Index**

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.

Investment Performance - Average Annual Total Return*

	3 Mo.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Inception
Without Charges**	0.18%	(7.61)%	(15.57)%	2.86%	10.19%	6.27%	N/A
With Charges***	(4.83)%	(12.23)%	(19.79)%	1.12%	9.07%	5.73%	N/A
S&P Small Cap 600 Index	0.41%	(7.09)%	(14.67)%	4.10%	11.60%	7.59%	—

* 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.

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

Average annual total returns are calculated for the contract subaccount of the underlying Thrivent Financial Variable Universal Life underlying portfolio. The portfolio was in existence prior to the subaccount's inception on 12/31/03. Portfolio inception date was 06/14/95. All returns shown reflect the deduction of the applicable investment advisory fee and the current maximum mortality and expense charge.

**Rates labeled "Without Charges" do not reflect the premium expense charge of 5%, the basic monthly charge, decrease charges, cost of insurance charges or other charges deducted at the individual contract level. If these charges had been deducted, the performance quoted would have been significantly lower.

***Rates labeled "With Charges" do reflect the premium charge of 5%, but do not reflect the basic monthly charge, decrease charges, cost of insurance charges or other charges deducted at the individual contract level. If these charges had been deducted, the performance quoted would have been significantly lower.

Since charges and fees vary from individual to individual at the contract level based on several factors, including the amount of the death benefit, the contract value, the insured's attained age, sex and risk classification, it is not possible to include them in this report. You are urged to contact your registered representative for a personalized illustration to determine what additional charges and fees you may incur. You can also review the hypothetical illustrations in the prospectus to see the effects of fees and charges on performance.

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

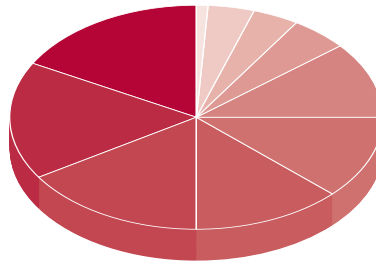


Kevin R. Brimmer, FSA
 Began managing this fund: 2002
 Investment experience: 14 years

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.

Portfolio Diversification¹

Information Technology	17%
Industrials	17%
Financials	16%
Consumer Discretionary	13%
Health Care	12%
Energy	11%
Utilities	5%
Consumer Staples	4%
Materials	4%
Cash & Cash Equivalent	1%



Portfolio Statistics¹

Number of holdings:	604
Weighted Average Market Cap:	\$1.5 billion
Median Market Cap:	\$1.2 billion
Turnover ratio:	18%
Standard Deviation ² :	
3-year	13.24%
5-year	14.81%
10-year	19.86%

Top Ten Holdings

Oceaneering International, Inc.	0.92%
Patriot Coal Corporation	0.89%
St. Mary Land & Exploration Company	0.86%
Unit Corporation	0.85%
Helix Energy Solutions Group, Inc.	0.83%
ANSYS, Inc.	0.80%
Atwood Oceanics, Inc.	0.75%
Itron, Inc.	0.73%
Southern Union Company	0.73%
Penn Virginia Corporation	0.68%

¹This is subject to change.

²Standard Deviation: A statistical measure of volatility. The higher the standard deviation, the riskier an investment is considered to be.

When not presented as part of the complete booklet, these pages must be preceded or accompanied by the current prospectus for the Thrivent Flexible Premium Variable Life Insurance.

Investing in a variable insurance product involves risks, including the possible loss of principal. The prospectus contains more complete information on the objectives, risks, charges and expenses of the investment company which investors should read and consider carefully before investing. To obtain a prospectus contact a registered representative or visit 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.