

PERFORMANCE UPDATE

ING Life Insurance and Annuity Company

STATE OF IOWA

Separate Account D, Group Annuity Contract

Average Annual Total Returns as of: **07/31/2008** (shown in percentages)

Variable annuities and funding agreements are long-term investment vehicles designed for retirement purposes which allow you to allocate contributions among variable investment options that have the potential to grow tax-deferred with an option to receive a stream of income at a later date. Early withdrawals from variable annuities may be subject to surrender charges, and if taken prior to age 59 1/2, a 10% IRS penalty may apply. Withdrawals will also reduce the applicable death benefit and cash surrender value.

The performance data quoted represents past performance. Past performance does not guarantee future results. For month-end performance which may be lower or higher than the performance data shown please call 800-584-6001. Investment return and principal value of an investment will fluctuate so that, when sold, an investment may be worth more or less than the original cost.

(1) Investment options in Separate Account D, reflecting total Separate Account charges of 0.10% on an annual basis.

(2) Investment options that are direct investments in a mutual fund, and are not associated with the Separate Account.

All funds assume reinvestment of all dividends (ordinary income and capital gains) and are net of management fees and other fund operating expenses.

Depending upon the type of contract in which you participate, you have either received disclosure booklets for the separate account and/or fund prospectuses. You should consider the investment objectives, risks and charges, and expenses of the variable product and its underlying fund options carefully before investing. The disclosure booklet contains this and other information. Anyone who wishes to obtain a free copy of the separate account disclosure booklet and/or fund prospectuses may call their ING representative or the number above. Please read the separate account disclosure booklet and/or the fund prospectuses carefully before investing.

Returns less than one year are not annualized. Fund Inception Date is the date of inception for the underlying fund, and is the date used in calculating the periodic returns. This date may also precede the portfolio's inclusion in the product.

THE FOLLOWING EXPENSE RATIOS ARE GROSS EXPENSE RATIOS AND DO NOT REFLECT ANY TEMPORARY FEE OR EXPENSE WAIVERS THAT MAY BE IN EFFECT FOR A FUND. THE PERFORMANCE OF A FUND WITH A TEMPORARY FEE OR EXPENSE WAIVER WOULD HAVE BEEN LOWER IF THE MAXIMUM FUND FEES / EXPENSES LISTED HAD BEEN ASSESSED: AMERICAN BALANCED FUND - R-4 0.65%, AMERICAN HIGH-INCOME TRUST - R4 0.75%, CRM MID CAP VALUE FUND - INVESTOR SH 1.04%, DODGE AND COX INTL STOCK FD 0.65%, EUROPACIFIC GROWTH FUND - R4 0.87%, FIDELITY ADVISOR MID CAP FUND - T 1.30%, ING GNMA INCOME FUND - I 0.65%, ING SOLUTION 2015 PORTFOLIO - INT 0.76%, ING SOLUTION 2025 PORTFOLIO - INT 0.84%, ING SOLUTION 2035 PORTFOLIO - INT 0.87%, ING SOLUTION 2045 PORTFOLIO - INT 0.90%, ING SOLUTION INCOME PORTFOLIO - INIT 0.69%, LORD ABBETT SMALL-CAP VALUE FUND - A 1.23%, NEW PERSPECTIVE FUND - CLASS R-4 0.81%, PAX WORLD BALANCED FUND 0.96%, PIONEER EQUITY INCOME FUND - A 1.03%, RIVERSOURCE MID CAP VALUE FUND - R4 1.11%, THE GROWTH FUND OF AMERICA - R4 0.68%, UBS U.S. SMALL CAP GROWTH FUND - A 1.65%, VANGUARD INSTITUTIONAL INDEX FUND -I 0.05%

Investment Options	1-Mo	3-Mo	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Inception	Fund Inception Date
Stability of Principal									
ING Fixed Account - 457/401 (3)(13) <i>This fund is not part of a separate account.</i>	0.33%	0.99%	2.31%	4.00%	4.00%	4.31%	5.00%		
Bonds									
High Yield Bond									
American High-Income Trust SM - Class R-4 - 1094 (2)(4)	-1.22%	-3.10%	-2.60%	-1.63%	3.73%	6.86%	5.25%		02/19/1988
Intermediate Government									
ING GNMA Income Fund - Class I - 240 (2)(5)	0.03%	-0.63%	1.59%	6.44%	4.55%	4.37%	5.38%		08/17/1973
Intermediate-Term Bond									
Fidelity® VIP Investment Grade Bond Port - Initial Class - 130 (1)	-0.25%	-0.84%	-0.12%	2.98%	3.00%	3.77%	5.23%		12/05/1988



Investment Options	1-Mo	3-Mo	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Inception	Fund Inception Date
Asset Allocation									
<i>Lifecycle</i>									
ING Solution 2015 Portfolio - Initial Class - 746 (2)	-0.77%	-5.56%	-7.07%	-4.83%	3.52%			4.76%	04/29/2005
ING Solution 2025 Portfolio - Initial Class - 790 (2)	-1.02%	-6.98%	-10.15%	-8.31%	3.09%			4.88%	04/29/2005
ING Solution 2035 Portfolio - Initial Class - 761 (2)	-1.25%	-7.73%	-11.66%	-9.64%	3.36%			5.36%	04/29/2005
ING Solution 2045 Portfolio - Initial Class - 764 (2)	-1.39%	-8.12%	-12.57%	-10.50%	3.53%			6.00%	04/29/2005
ING Solution Income Portfolio - Initial Class - 767 (2)	-0.70%	-3.91%	-3.42%	-0.39%	3.65%			4.08%	04/29/2005
Balanced									
<i>Moderate Allocation</i>									
American Balanced Fund® - Class R-4 - 823 (2)(7)	-0.29%	-5.37%	-8.73%	-6.75%	3.17%	6.26%	6.78%		07/26/1975
Pax World Balanced Fund - 193 (2)	-2.81%	-5.76%	-9.38%	-4.89%	3.74%	7.32%	5.96%		08/10/1971
Large Cap Value									
<i>Large Blend</i>									
Vanguard® Institutional Index Fund - Institutional Shares - 566 (2)(8)	-0.83%	-8.01%	-12.65%	-11.10%	2.84%	7.01%	2.95%		07/31/1990
<i>Large Value</i>									
Pioneer Equity Income Fund - Class A - 925 (2)	-0.78%	-5.84%	-7.30%	-9.14%	4.66%	9.66%	5.34%		07/25/1990
Large Cap Growth									
<i>Large Growth</i>									
Fidelity® VIP Contrafund® Portfolio - Initial Class - 133 (1)	-4.07%	-9.90%	-15.79%	-8.42%	6.00%	11.17%	6.91%		01/03/1995
The Growth Fund of America® - Class R-4 - 572 (2)(9)	-3.46%	-7.01%	-9.95%	-7.10%	5.83%	10.00%	8.69%		12/01/1973
Small/Mid/Specialty									
<i>Mid-Cap Blend</i>									
CRM Mid Cap Value Fund - Investor Shares - 457 (2)	-0.49%	-5.88%	-8.85%	-7.35%	6.32%	13.73%		12.68%	09/20/2000
ING VP Index Plus MidCap Portfolio - Class I - 053 (1)	-2.27%	-4.21%	-7.97%	-9.29%	2.79%	9.59%	9.76%		12/16/1997
<i>Mid-Cap Growth</i>									
Fidelity® Advisor Mid Cap Fund - Class T - 212 (2)	-6.61%	-8.07%	-15.11%	-15.61%	3.20%	9.94%	9.79%		02/20/1996
Wanger Select - 820 (1)	-4.06%	-3.70%	-9.64%	-12.27%	7.97%	10.79%		12.23%	02/01/1999
<i>Mid-Cap Value</i>									
RiverSource Mid Cap Value Fund - Class R-4 - 2028 (2)	-3.12%	-9.33%	-13.50%	-13.08%	5.93%	14.73%		11.34%	02/14/2002
<i>Small Blend</i>									
Lord Abbett Small-Cap Value Fund - Class A - 362 (2)	2.84%	0.59%	-2.76%	0.19%	10.10%	16.65%	14.03%		12/13/1995
<i>Small Growth</i>									
UBS U.S. Small Cap Growth Fund - Class A - 294 (2)(10)	-2.55%	-2.33%	-8.53%	-9.18%	1.09%	7.30%	8.17%		09/30/1997
Global / International									
<i>Foreign Large Blend</i>									
EuroPacific Growth Fund® - Class R-4 - 573 (2)(11)	-2.97%	-9.18%	-12.78%	-6.67%	13.30%	17.24%	9.12%		04/16/1984
<i>Foreign Large Value</i>									
Dodge and Cox International Stock Fund - 735 (2)	-1.69%	-9.38%	-13.04%	-11.60%	11.51%	19.58%		12.30%	05/01/2001
<i>World Stock</i>									
New Perspective Fund® - Class R-4 - 818 (2)(12)	-2.77%	-8.02%	-11.60%	-5.74%	10.26%	13.45%	8.64%		03/13/1973

The risks of investing in small company stocks may include relatively low trading volumes, a greater degree of change in earnings and greater short-term volatility.

Foreign investing involves special risks such as currency fluctuation and public disclosure, as well as economic and political risks.

Some of the Funds invest in securities guaranteed by the U.S. Government as to the timely payment of principal and interest; however, shares of the Funds are not insured nor guaranteed.

High yielding fixed-income securities generally are subject to greater market fluctuations and risks of loss of income and principal than are investments in lower yielding fixed-income securities.

Sector funds may involve greater-than average risk and are often more volatile than funds holding a diversified portfolio of stocks in many industries. Examples include: banking, biotechnology, chemicals, energy, environmental services, natural resources, precious metals, technology, telecommunications, and utilities.

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<i>High Yield Bond</i>									
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<i>Intermediate Government</i>									
ING GNMA Income Fund - Class I - 240 (2)(5)	0.03%	-0.84%	1.57%	7.48%	4.33%	3.85%	5.45%		08/17/1973
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Fidelity® VIP Investment Grade Bond Port - Initial Class - 130 (1)	-0.01%	-0.83%	0.13%	3.82%	2.81%	3.09%	5.28%		12/05/1988
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<i>Lifecycle</i>									
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High yielding fixed-income securities generally are subject to greater market fluctuations and risks of loss of income and principal than are investments in lower yielding fixed-income securities.

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Additional Notes

(3) The CURRENT rate for the ING Fixed Account - 457/401 Base+85, Fund 678 is 4.00%, expressed as an annual effective yield, and is guaranteed not to drop below 3.60% through 12/31/2008. The annual rate of interest applied to your account may be higher or lower than the current rate. Restrictions may apply to transfers of funds from the Fixed Account to other contract investment options. Please refer to your product prospectus / disclosure booklet and call your 800 number for more information.

(4) The American High-Yield TrustSM Fund - Class R-4 commenced operations on July 19, 2002. The fund has identical investment objectives and policies, the same portfolio manager, and invests in the same holdings as Class A of this fund. The performance information for the American High-Yield TrustSM Fund - Class R-4 prior to June 21, 2002 is based upon the Class A performance, adjusted by fees associated with Class R-4.

(5) ING GNMA Income Fund - Class I has identical investment objectives and policies, the same portfolio manager, and invests in the same holdings as Class A. The performance information above is based upon the Class A performance, excluding sales charges, and has not been adjusted by the fee differences between classes.

Additional Notes

(7) The American Balanced Fund - Class R-4 commenced operations on June 21, 2002. The fund has identical investment objectives and policies, the same portfolio manager, and invests in the same holdings as Class A of this fund. The performance information for the American Balanced Fund - Class R-4 prior to June 21, 2002 is based upon the Class A performance, adjusted by fees associated with Class R-4.

(8) Vanguard and the ship logo are trademarks of The Vanguard Group, Inc.

(9) The Growth Fund of America - Class R-4 commenced operations on May 15, 2002. Class R-4 has identical investment objectives and policies, the same portfolio manager, and invests in the same holdings as Class A. The performance information above prior to May 15, 2002 is based upon the Class A performance adjusted by the fee differences between classes.

(10) UBS U.S. Small Cap Growth Fund - Class A commenced operations on December 31, 1998. Class A has the identical investment objectives and policies, the same portfolio manager, and shares in the same portfolio holdings as the UBS U.S. SmallCap Growth Fund - Class Y, which commenced operations on September 30, 1997. The performance information shown above for the period prior to December 31, 1998 is based on the performance of Class Y adjusted to reflect the imposition of Class A fees.

(11) EuroPacific Growth Fund - Class R-4 commenced operations on May 15, 2002. Class R-4 has identical investment objectives and policies, the same portfolio manager, and invests in the same holdings as Class A. The performance information above prior to May 15, 2002 is based upon the Class A performance adjusted by the fee differences between classes.

(12) The New Perspective Fund - Class R-4 commenced operations on May 28, 2002. The fund has identical investment objectives and policies, the same portfolio manager, and invests in the same holdings as Class A of this fund. The performance information for the New Perspective Fund - Class R-4 prior to May 28, 2002 is based upon the Class A performance, adjusted by fees associated with Class R-4.

(13) The Investment Option is neither a mutual fund nor part of a Separate Account. The returns listed do not include the impact of contract charges. Please refer to the contract or disclosure book to determine which Fixed Interest Options are available for your specific plan. The Investment Option is offered through ING Life and Insurance Annuity Company.

Insurance products and/or third party administration services are offered by ING Life Insurance and Annuity Company. Securities offered through ING Financial Advisers, LLC (member SIPC) or other broker-dealers with which it has a selling agreement.

The chart shows the performance for each investment option for the time periods shown.