



ING USA Annuity and Life Insurance Company

Separate Account EQ

December 31, 2008 Annual Report



Your future. Made easier.SM



April 2009

Dear Valued Customer:

On behalf of ING's dedicated team of employees, I would like to thank you for the opportunity to help plan for your financial future. One of ING's missions is to make it easier for you to determine your financial objectives and the most logical strategy to reach them.

Here is a copy of your 2008 separate account annual report, which provides updated financial information on the investment options available within your contract with ING. Keep in mind that your investment choices will not only help determine your level of financial security, but also your ability to protect yourself and your loved ones for years to come.

ING understands the importance of considering all of your options when investing during this difficult economic time and we believe we can continue to give you the necessary tools and information to work towards your financial goals. ING is a large and well respected financial institution and we strive to maintain this reputation by offering outstanding customer service, a variety of financial products and options, and financial advice (when applicable).

Fostering relationships with customers like you is the foundation of our mission to help you manage your financial future and we look forward to helping you meet your objectives every step of the way.

Sincerely,

Thomas J. McInerney
Chairman and Chief Executive Officer
ING Americas

ING. Your future. Made easier.SM

Insurance products, annuities and retirement plan funding issued by (third party administrative services may also be provided by) ING Life Insurance and Annuity Company. Advisory services and financial planning are offered through, and securities are distributed by, ING Financial Advisers, LLC (member SIPC), One Orange Way, Windsor, CT 06095. Securities may also be distributed through other broker-dealers with which ING Financial Advisers, LLC has selling agreements.
C09-0220-008R(3/09)

3012650.X.P

FINANCIAL STATEMENTS

ING USA Annuity and Life Insurance Company

Separate Account EQ

Year ended December 31, 2008

with Report of Independent Registered Public Accounting Firm

This page intentionally left blank.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Financial Statements
Year ended December 31, 2008

Contents

Report of Independent Registered Public Accounting Firm	1
Audited Financial Statements	
Statements of Assets and Liabilities	3
Statements of Operations	20
Statements of Changes in Net Assets	40
Notes to Financial Statements	65

This page intentionally left blank.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Participants
ING USA Annuity and Life Insurance Company

We have audited the accompanying statements of assets and liabilities of the Divisions constituting ING USA Annuity and Life Insurance Company Separate Account EQ (the "Account") as of December 31, 2008, and the related statements of operations and changes in net assets for the periods disclosed in the financial statements. These financial statements are the responsibility of the Account's management. Our responsibility is to express an opinion on these financial statements based on our audits. The Account is comprised of the following Divisions:

BlackRock Variable Series Funds, Inc.:

- BlackRock Global Allocation V.I. Fund - Class III
- Columbia Variable Insurance Trust:
 - Columbia Small Cap Value Fund, Variable Series - Class B
- Fidelity® Variable Insurance Products:
 - Fidelity® VIP Equity-Income Portfolio - Service Class 2
- Fidelity® Variable Insurance Products II:
 - Fidelity® VIP Contrafund® Portfolio - Service Class 2
- ING Investors Trust:
 - ING AllianceBernstein Mid Cap Growth Portfolio - Service Class
 - ING American Funds Asset Allocation Portfolio
 - ING American Funds Bond Portfolio
 - ING American Funds Growth Portfolio
 - ING American Funds Growth-Income Portfolio
 - ING American Funds International Portfolio
 - ING BlackRock Large Cap Growth Portfolio - Service Class
 - ING BlackRock Large Cap Value Portfolio - Service Class
 - ING Capital Guardian U.S. Equities Portfolio - Service Class
 - ING EquitiesPlus Portfolio - Service Class
 - ING Evergreen Health Sciences Portfolio - Service Class
 - ING Evergreen Omega Portfolio - Service Class
 - ING FMRSM Diversified Mid Cap Portfolio - Service Class
 - ING Franklin Income Portfolio - Service Class
 - ING Franklin Mutual Shares Portfolio - Service Class
 - ING Franklin Templeton Founding Strategy Portfolio - Service Class
 - ING Global Real Estate Portfolio - Service Class
 - ING Global Resources Portfolio - Service Class
 - ING Global Technology Portfolio - Service Class
 - ING International Growth Opportunities Portfolio - Service Class
 - ING Janus Contrarian Portfolio - Service Class
 - ING JPMorgan Emerging Markets Equity Portfolio - Service Class
 - ING JPMorgan Small Cap Core Equity Portfolio - Service Class
 - ING JPMorgan Value Opportunities Portfolio - Service Class
 - ING Julius Baer Foreign Portfolio - Service Class
 - ING Legg Mason Value Portfolio - Service Class
 - ING LifeStyle Aggressive Growth Portfolio - Service Class
 - ING LifeStyle Growth Portfolio - Service Class
 - ING LifeStyle Moderate Growth Portfolio - Service Class
 - ING LifeStyle Moderate Portfolio - Service Class
 - ING Limited Maturity Bond Portfolio - Service Class
 - ING Liquid Assets Portfolio - Service Class
 - ING Lord Abbett Affiliated Portfolio - Service Class

ING Investors Trust (continued):

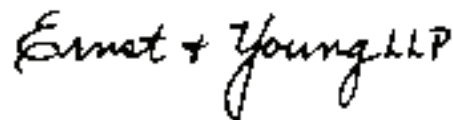
- ING Marsico Growth Portfolio - Service Class
- ING Marsico International Opportunities Portfolio - Service Class
- ING MFS Total Return Portfolio - Service Class
- ING MFS Utilities Portfolio - Service Class
- ING Mid Cap Growth Portfolio - Service Class
- ING Oppenheimer Main Street Portfolio® - Service Class
- ING PIMCO Core Bond Portfolio - Service Class
- ING PIMCO High Yield Portfolio - Service Class
- ING Pioneer Fund Portfolio - Service Class
- ING Pioneer Mid Cap Value Portfolio - Service Class
- ING T. Rowe Price Capital Appreciation Portfolio - Service Class
- ING T. Rowe Price Equity Income Portfolio - Service Class
- ING Templeton Global Growth Portfolio - Service Class
- ING Van Kampen Capital Growth Portfolio - Service Class
- ING Van Kampen Global Franchise Portfolio - Service Class
- ING Van Kampen Growth and Income Portfolio - Service Class
- ING Van Kampen Large Cap Growth Portfolio - Service Class
- ING Van Kampen Real Estate Portfolio - Service Class
- ING VP Index Plus International Equity Portfolio - Service Class
- ING Wells Fargo Disciplined Value Portfolio - Service Class
- ING Wells Fargo Small Cap Disciplined Portfolio - Service Class
- ING Partners, Inc.:
 - ING Baron Small Cap Growth Portfolio - Service Class
 - ING Columbia Small Cap Value II Portfolio - Service Class
 - ING Davis New York Venture Portfolio - Service Class
 - ING JPMorgan International Portfolio - Service Class
 - ING JPMorgan Mid Cap Value Portfolio - Service Class
 - ING Legg Mason Partners Aggressive Growth Portfolio - Service Class
 - ING Neuberger Berman Partners Portfolio - Service Class
 - ING Neuberger Berman Regency Portfolio - Service Class
 - ING Oppenheimer Global Portfolio - Service Class
 - ING T. Rowe Price Growth Equity Portfolio - Service Class
 - ING Templeton Foreign Equity Portfolio - Service Class
 - ING UBS U.S. Large Cap Equity Portfolio - Service Class
 - ING Van Kampen Comstock Portfolio - Service Class
 - ING Van Kampen Equity and Income Portfolio - Service Class
- ING Variable Funds:
 - ING VP Growth and Income Portfolio - Class I
 - ING VP Growth and Income Portfolio - Class S

ING Variable Insurance Trust:
ING VP Global Equity Dividend Portfolio
ING Variable Portfolios, Inc.:
ING BlackRock Global Science and Technology Portfolio -
Class S
ING International Index Portfolio - Class S
ING Lehman Brothers U.S. Aggregate Bond Index® Portfolio -
Class S
ING Russell™ Large Cap Index Portfolio - Class S
ING Russell™ Mid Cap Index Portfolio - Class S
ING Russell™ Small Cap Index Portfolio - Class S
ING VP Index Plus LargeCap Portfolio - Class S
ING VP Index Plus MidCap Portfolio - Class S
ING VP Index Plus SmallCap Portfolio - Class S
ING VP Small Company Portfolio - Class S
ING Wisdom TreeSM Global High-Yielding Equity Index
Portfolio - Class S

ING Variable Products Trust:
ING VP Financial Services Portfolio - Class S
ING VP MidCap Opportunities Portfolio - Class S
ING VP SmallCap Opportunities Portfolio - Class S
ING VP Intermediate Bond Portfolio:
ING VP Intermediate Bond Portfolio - Class S
Legg Mason Partners Variable Equity Trust:
Legg Mason Partners Variable International All Cap Opportunity
Portfolio
Legg Mason Partners Variable Investors Portfolio
Legg Mason Partners Variable Lifestyle Allocation 50%
Legg Mason Partners Variable Lifestyle Allocation 70%
Legg Mason Partners Variable Lifestyle Allocation 85%
Legg Mason Partners Variable Income Trust:
Legg Mason Partners Variable High Income Portfolio
Legg Mason Partners Variable Money Market Portfolio

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Account's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Account's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of December 31, 2008, by correspondence with the transfer agents. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each of the respective Divisions constituting ING USA Annuity and Life Insurance Company Separate Account EQ at December 31, 2008, the results of their operations and changes in their net assets for the periods disclosed in the financial statements, in conformity with U.S. generally accepted accounting principles.



Atlanta, Georgia
March 12, 2009

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	BlackRock Global Allocation V.I. Fund - Class III	Columbia Small Cap Value Fund, Variable Series - Class B	Fidelity® VIP Equity-Income Portfolio - Service Class 2	Fidelity® VIP Contrafund® Portfolio - Service Class 2	ING AllianceBernstein Mid Cap Growth Portfolio - Service Class
Assets					
Investments in mutual funds at fair value	\$ 398	\$ 256	\$ 132	\$ 1,174	\$ 11,700
Total assets	398	256	132	1,174	11,700
Liabilities					
Due to related parties	-	-	-	1	11
Total liabilities	-	-	-	1	11
Net assets	<u>\$ 398</u>	<u>\$ 256</u>	<u>\$ 132</u>	<u>\$ 1,173</u>	<u>\$ 11,689</u>
Total number of mutual fund shares	<u>35,251</u>	<u>22,657</u>	<u>10,150</u>	<u>77,571</u>	<u>1,583,214</u>
Cost of mutual fund shares	<u>\$ 460</u>	<u>\$ 424</u>	<u>\$ 263</u>	<u>\$ 2,214</u>	<u>\$ 20,410</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING American Funds Asset Allocation Portfolio	ING American Funds Bond Portfolio	ING American Funds Growth Portfolio	ING American Funds Growth- Income Portfolio	ING American Funds International Portfolio
Assets					
Investments in mutual funds at fair value	\$ 39	\$ 270	\$ 2,253	\$ 1,356	\$ 2,585
Total assets	39	270	2,253	1,356	2,585
Liabilities					
Due to related parties	-	-	2	1	2
Total liabilities	-	-	2	1	2
Net assets	<u>\$ 39</u>	<u>\$ 270</u>	<u>\$ 2,251</u>	<u>\$ 1,355</u>	<u>\$ 2,583</u>
Total number of mutual fund shares	<u>5,363</u>	<u>29,891</u>	<u>61,797</u>	<u>52,121</u>	<u>184,752</u>
Cost of mutual fund shares	<u>\$ 53</u>	<u>\$ 276</u>	<u>\$ 3,967</u>	<u>\$ 2,269</u>	<u>\$ 4,260</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING BlackRock Large Cap Growth Portfolio - Service Class	ING BlackRock Large Cap Value Portfolio - Service Class	ING Evergreen Health Sciences Portfolio - Service Class	ING FMRSM Diversified Mid Cap Portfolio - Service Class	ING Franklin Income Portfolio - Service Class
Assets					
Investments in mutual funds at fair value	\$ 237	\$ 52	\$ 269	\$ 8,801	\$ 651
Total assets	237	52	269	8,801	651
Liabilities					
Due to related parties	-	-	-	9	-
Total liabilities	-	-	-	9	-
Net assets	<u>\$ 237</u>	<u>\$ 52</u>	<u>\$ 269</u>	<u>\$ 8,792</u>	<u>\$ 651</u>
Total number of mutual fund shares	<u>35,643</u>	<u>6,011</u>	<u>31,382</u>	<u>1,029,377</u>	<u>85,470</u>
Cost of mutual fund shares	<u>\$ 391</u>	<u>\$ 84</u>	<u>\$ 343</u>	<u>\$ 14,754</u>	<u>\$ 844</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING Franklin Mutual Shares Portfolio - Service Class	ING Franklin Templeton Founding Strategy Portfolio - Service Class	ING Global Real Estate Portfolio - Service Class	ING Global Resources Portfolio - Service Class	ING International Growth Opportunities Portfolio - Service Class
Assets					
Investments in mutual funds at fair value	\$ 124	\$ 260	\$ 186	\$ 2,647	\$ 4,943
Total assets	124	260	186	2,647	4,943
Liabilities					
Due to related parties	-	-	-	2	5
Total liabilities	-	-	-	2	5
Net assets	<u>\$ 124</u>	<u>\$ 260</u>	<u>\$ 186</u>	<u>\$ 2,645</u>	<u>\$ 4,938</u>
Total number of mutual fund shares	<u>21,691</u>	<u>41,772</u>	<u>26,182</u>	<u>203,160</u>	<u>1,436,843</u>
Cost of mutual fund shares	<u>\$ 185</u>	<u>\$ 386</u>	<u>\$ 329</u>	<u>\$ 4,692</u>	<u>\$ 12,005</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING Janus Contrarian Portfolio - Service Class	ING JPMorgan Emerging Markets Equity Portfolio - Service Class	ING JPMorgan Small Cap Core Equity Portfolio - Service Class	ING JPMorgan Value Opportunities Portfolio - Service Class	ING Julius Baer Foreign Portfolio - Service Class
Assets					
Investments in mutual funds at fair value	\$ 1,645	\$ 2,670	\$ 236	\$ 41	\$ 1,388
Total assets	1,645	2,670	236	41	1,388
Liabilities					
Due to related parties	1	2	-	-	1
Total liabilities	1	2	-	-	1
Net assets	<u>\$ 1,644</u>	<u>\$ 2,668</u>	<u>\$ 236</u>	<u>\$ 41</u>	<u>\$ 1,387</u>
Total number of mutual fund shares	<u>210,649</u>	<u>222,355</u>	<u>28,067</u>	<u>6,865</u>	<u>148,753</u>
Cost of mutual fund shares	<u>\$ 3,409</u>	<u>\$ 4,286</u>	<u>\$ 392</u>	<u>\$ 82</u>	<u>\$ 2,427</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING Legg Mason Value Portfolio - Service Class	ING LifeStyle Aggressive Growth Portfolio - Service Class	ING LifeStyle Growth Portfolio - Service Class	ING LifeStyle Moderate Growth Portfolio - Service Class	ING LifeStyle Moderate Portfolio - Service Class
Assets					
Investments in mutual funds at fair value	\$ 224	\$ 2,026	\$ 4,471	\$ 3,542	\$ 2,470
Total assets	224	2,026	4,471	3,542	2,470
Liabilities					
Due to related parties	-	2	3	2	1
Total liabilities	-	2	3	2	1
Net assets	<u>\$ 224</u>	<u>\$ 2,024</u>	<u>\$ 4,468</u>	<u>\$ 3,540</u>	<u>\$ 2,469</u>
Total number of mutual fund shares	<u>66,132</u>	<u>282,191</u>	<u>562,368</u>	<u>427,748</u>	<u>280,351</u>
Cost of mutual fund shares	<u>\$ 598</u>	<u>\$ 3,781</u>	<u>\$ 7,348</u>	<u>\$ 5,345</u>	<u>\$ 3,394</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING Limited Maturity Bond Portfolio - Service Class	ING Liquid Assets Portfolio - Service Class	ING Lord Abbett Affiliated Portfolio - Service Class	ING Marsico Growth Portfolio - Service Class	ING Marsico International Opportunities Portfolio - Service Class
Assets					
Investments in mutual funds at fair value	\$ 5,998	\$ 16,887	\$ 525	\$ 15,981	\$ 178
Total assets	5,998	16,887	525	15,981	178
Liabilities					
Due to related parties	4	9	-	17	-
Total liabilities	4	9	-	17	-
Net assets	<u>\$ 5,994</u>	<u>\$ 16,878</u>	<u>\$ 525</u>	<u>\$ 15,964</u>	<u>\$ 178</u>
Total number of mutual fund shares	<u>581,777</u>	<u>16,887,165</u>	<u>79,833</u>	<u>1,421,768</u>	<u>23,278</u>
Cost of mutual fund shares	<u>\$ 6,497</u>	<u>\$ 16,887</u>	<u>\$ 865</u>	<u>\$ 17,381</u>	<u>\$ 357</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING MFS Total Return Portfolio - Service Class	ING MFS Utilities Portfolio - Service Class	ING Oppenheimer Main Street Portfolio® - Service Class	ING PIMCO Core Bond Portfolio - Service Class	ING PIMCO High Yield Portfolio - Service Class
Assets					
Investments in mutual funds at fair value	\$ 50,271	\$ 1,325	\$ 35,762	\$ 6,651	\$ 1,885
Total assets	50,271	1,325	35,762	6,651	1,885
Liabilities					
Due to related parties	37	-	35	3	1
Total liabilities	37	-	35	3	1
Net assets	<u>\$ 50,234</u>	<u>\$ 1,325</u>	<u>\$ 35,727</u>	<u>\$ 6,648</u>	<u>\$ 1,884</u>
Total number of mutual fund shares	<u>4,224,457</u>	<u>139,296</u>	<u>2,938,566</u>	<u>579,383</u>	<u>268,451</u>
Cost of mutual fund shares	<u>\$ 69,003</u>	<u>\$ 2,220</u>	<u>\$ 54,704</u>	<u>\$ 6,414</u>	<u>\$ 2,672</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	<u>ING Pioneer Fund Portfolio - Service Class</u>	<u>ING Pioneer Mid Cap Value Portfolio - Service Class</u>	<u>ING T. Rowe Price Capital Appreciation Portfolio - Service Class</u>	<u>ING T. Rowe Price Equity Income Portfolio - Service Class</u>	<u>ING Templeton Global Growth Portfolio - Service Class</u>
Assets					
Investments in mutual funds at fair value	\$ 22	\$ 1,697	\$ 17,133	\$ 3,367	\$ 1,306
Total assets	22	1,697	17,133	3,367	1,306
Liabilities					
Due to related parties	-	2	11	2	1
Total liabilities	-	2	11	2	1
Net assets	<u>\$ 22</u>	<u>\$ 1,695</u>	<u>\$ 17,122</u>	<u>\$ 3,365</u>	<u>\$ 1,305</u>
Total number of mutual fund shares	<u>2,781</u>	<u>223,834</u>	<u>1,111,078</u>	<u>397,943</u>	<u>158,633</u>
Cost of mutual fund shares	<u>\$ 36</u>	<u>\$ 2,352</u>	<u>\$ 25,116</u>	<u>\$ 5,372</u>	<u>\$ 2,080</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING Van Kampen Capital Growth Portfolio - Service Class	ING Van Kampen Global Franchise Portfolio - Service Class	ING Van Kampen Growth and Income Portfolio - Service Class	ING Van Kampen Real Estate Portfolio - Service Class	ING VP Index Plus International Equity Portfolio - Service Class
Assets					
Investments in mutual funds at fair value	\$ 33	\$ 351	\$ 15,328	\$ 2,620	\$ 42
Total assets	33	351	15,328	2,620	42
Liabilities					
Due to related parties	-	-	13	2	-
Total liabilities	-	-	13	2	-
Net assets	<u>\$ 33</u>	<u>\$ 351</u>	<u>\$ 15,315</u>	<u>\$ 2,618</u>	<u>\$ 42</u>
Total number of mutual fund shares	<u>4,797</u>	<u>32,204</u>	<u>970,711</u>	<u>186,046</u>	<u>8,082</u>
Cost of mutual fund shares	<u>\$ 58</u>	<u>\$ 515</u>	<u>\$ 21,613</u>	<u>\$ 5,786</u>	<u>\$ 89</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING Wells Fargo Small Cap Disciplined Portfolio - Service Class	ING Baron Small Cap Growth Portfolio - Service Class	ING Columbia Small Cap Value II Portfolio - Service Class	ING Davis New York Venture Portfolio - Service Class	ING JPMorgan Mid Cap Value Portfolio - Service Class
Assets					
Investments in mutual funds at fair value	\$ 40	\$ 332	\$ 369	\$ 152	\$ 14
Total assets	40	332	369	152	14
Liabilities					
Due to related parties	-	-	-	-	-
Total liabilities	-	-	-	-	-
Net assets	<u>\$ 40</u>	<u>\$ 332</u>	<u>\$ 369</u>	<u>\$ 152</u>	<u>\$ 14</u>
Total number of mutual fund shares	<u>6,359</u>	<u>29,988</u>	<u>54,035</u>	<u>12,446</u>	<u>1,551</u>
Cost of mutual fund shares	<u>\$ 68</u>	<u>\$ 519</u>	<u>\$ 498</u>	<u>\$ 240</u>	<u>\$ 14</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING Legg Mason Partners Aggressive Growth Portfolio - Service Class	ING Neuberger Berman Partners Portfolio - Service Class	ING Oppenheimer Global Portfolio - Service Class	ING T. Rowe Price Growth Equity Portfolio - Service Class	ING Templeton Foreign Equity Portfolio - Service Class
Assets					
Investments in mutual funds at fair value	\$ 12	\$ 507	\$ 282	\$ 4	\$ 271
Total assets	12	507	282	4	271
Liabilities					
Due to related parties	-	-	-	-	-
Total liabilities	-	-	-	-	-
Net assets	<u>\$ 12</u>	<u>\$ 507</u>	<u>\$ 282</u>	<u>\$ 4</u>	<u>\$ 271</u>
Total number of mutual fund shares	<u>422</u>	<u>92,504</u>	<u>31,932</u>	<u>122</u>	<u>34,425</u>
Cost of mutual fund shares	<u>\$ 20</u>	<u>\$ 1,012</u>	<u>\$ 512</u>	<u>\$ 7</u>	<u>\$ 413</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING UBS U.S. Large Cap Equity Portfolio - Service Class	ING Van Kampen Comstock Portfolio - Service Class	ING Van Kampen Equity and Income Portfolio - Service Class	ING VP Growth and Income Portfolio - Class I	ING VP Growth and Income Portfolio - Class S
Assets					
Investments in mutual funds at fair value	\$ 52	\$ 236	\$ 251	\$ 11,402	\$ 1,955
Total assets	52	236	251	11,402	1,955
Liabilities					
Due to related parties	-	-	-	10	2
Total liabilities	-	-	-	10	2
Net assets	<u>\$ 52</u>	<u>\$ 236</u>	<u>\$ 251</u>	<u>\$ 11,392</u>	<u>\$ 1,953</u>
Total number of mutual fund shares	<u>8,426</u>	<u>33,205</u>	<u>9,807</u>	<u>754,599</u>	<u>130,360</u>
Cost of mutual fund shares	<u>\$ 84</u>	<u>\$ 415</u>	<u>\$ 350</u>	<u>\$ 18,491</u>	<u>\$ 2,728</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING BlackRock Global Science and Technology Portfolio - Class S	ING Lehman Brothers U.S. Aggregate Bond Index® Portfolio - Class S	ING Russell™ Large Cap Index Portfolio - Class S	ING Russell™ Mid Cap Index Portfolio - Class S	ING Russell™ Small Cap Index Portfolio - Class S
Assets					
Investments in mutual funds at fair value	\$ 40	\$ 63	\$ 4	\$ 11	\$ 36
Total assets	40	63	4	11	36
Liabilities					
Due to related parties	-	-	-	-	-
Total liabilities	-	-	-	-	-
Net assets	<u>\$ 40</u>	<u>\$ 63</u>	<u>\$ 4</u>	<u>\$ 11</u>	<u>\$ 36</u>
Total number of mutual fund shares	<u>12,163</u>	<u>6,233</u>	<u>604</u>	<u>1,693</u>	<u>4,659</u>
Cost of mutual fund shares	<u>\$ 59</u>	<u>\$ 62</u>	<u>\$ 6</u>	<u>\$ 16</u>	<u>\$ 45</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING VP Index Plus LargeCap Portfolio - Class S	ING VP Index Plus MidCap Portfolio - Class S	ING VP Index Plus SmallCap Portfolio - Class S	ING VP Small Company Portfolio - Class S	ING WisdomTreeSM Global High- Yielding Equity Index Portfolio - Class S
Assets					
Investments in mutual funds at fair value	\$ 185	\$ 308	\$ 468	\$ 30	\$ 64
Total assets	185	308	468	30	64
Liabilities					
Due to related parties	-	-	-	-	-
Total liabilities	-	-	-	-	-
Net assets	\$ 185	\$ 308	\$ 468	\$ 30	\$ 64
Total number of mutual fund shares	17,897	31,343	50,319	2,592	10,647
Cost of mutual fund shares	\$ 285	\$ 543	\$ 802	\$ 38	\$ 90

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	ING VP MidCap Opportunities Portfolio - Class S	ING VP SmallCap Opportunities Portfolio - Class S	ING VP Intermediate Bond Portfolio - Class S	Legg Mason Partners Variable International All Cap Opportunity Portfolio	Legg Mason Partners Variable Investors Portfolio
Assets					
Investments in mutual funds at fair value	\$ 19,719	\$ 10	\$ 1,197	\$ 3,929	\$ 13,018
Total assets	19,719	10	1,197	3,929	13,018
Liabilities					
Due to related parties	22	-	1	3	10
Total liabilities	22	-	1	3	10
Net assets	<u>\$ 19,697</u>	<u>\$ 10</u>	<u>\$ 1,196</u>	<u>\$ 3,926</u>	<u>\$ 13,008</u>
Total number of mutual fund shares	<u>3,134,916</u>	<u>850</u>	<u>108,683</u>	<u>800,296</u>	<u>1,281,319</u>
Cost of mutual fund shares	<u>\$ 30,314</u>	<u>\$ 17</u>	<u>\$ 1,400</u>	<u>\$ 8,887</u>	<u>\$ 22,035</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Assets and Liabilities
December 31, 2008
(Dollars in thousands)

	Legg Mason Partners Variable Lifestyle Allocation 50%	Legg Mason Partners Variable Lifestyle Allocation 70%	Legg Mason Partners Variable Lifestyle Allocation 85%	Legg Mason Partners Variable High Income Portfolio	Legg Mason Partners Variable Money Market Portfolio
Assets					
Investments in mutual funds at fair value	\$ 12,036	\$ 9,200	\$ 5,755	\$ 3,340	\$ 3,335
Total assets	12,036	9,200	5,755	3,340	3,335
Liabilities					
Due to related parties	7	8	6	2	1
Total liabilities	7	8	6	2	1
Net assets	<u>\$ 12,029</u>	<u>\$ 9,192</u>	<u>\$ 5,749</u>	<u>\$ 3,338</u>	<u>\$ 3,334</u>
Total number of mutual fund shares	<u>1,453,577</u>	<u>1,241,560</u>	<u>701,856</u>	<u>854,254</u>	<u>3,334,606</u>
Cost of mutual fund shares	<u>\$ 15,756</u>	<u>\$ 10,519</u>	<u>\$ 8,114</u>	<u>\$ 5,719</u>	<u>\$ 3,335</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	BlackRock Global Allocation V.I. Fund - Class III	Columbia Small Cap Value Fund, Variable Series - Class B	Fidelity® VIP Equity-Income Portfolio - Service Class 2	Fidelity® VIP Contrafund® Portfolio - Service Class 2	ING AllianceBernstein Mid Cap Growth Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ 11	\$ 2	\$ 4	\$ 14	\$ -
Total investment income	11	2	4	14	-
Expenses:					
Mortality and expense risk and other charges	2	6	4	33	306
Annual administrative charges	-	-	-	-	(4)
Contingent deferred sales charges	-	-	-	1	3
Total expenses	2	6	4	34	305
Net investment income (loss)	9	(4)	-	(20)	(305)
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(5)	(34)	(53)	(514)	62
Capital gains distributions	2	48	-	74	3,998
Total realized gain (loss) on investments and capital gains distributions	(3)	14	(53)	(440)	4,060
Net unrealized appreciation (depreciation) of investments	(62)	(139)	(74)	(628)	(15,283)
Net realized and unrealized gain (loss) on investments	(65)	(125)	(127)	(1,068)	(11,223)
Net increase (decrease) in net assets resulting from operations	\$ (56)	\$ (129)	\$ (127)	\$ (1,088)	\$ (11,528)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING American Funds Asset Allocation Portfolio	ING American Funds Bond Portfolio	ING American Funds Growth Portfolio	ING American Funds Growth- Income Portfolio	ING American Funds International Portfolio
Net investment income (loss)					
Income:					
Dividends	\$ -	\$ -	\$ 31	\$ 29	\$ 80
Total investment income	-	-	31	29	80
Expenses:					
Mortality and expense risk and other charges	-	1	59	31	66
Annual administrative charges	-	-	-	-	-
Contingent deferred sales charges	-	-	-	1	1
Total expenses	-	1	59	32	67
Net investment income (loss)	-	(1)	(28)	(3)	13
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	-	-	32	(47)	132
Capital gains distributions	-	-	288	81	257
Total realized gain (loss) on investments and capital gains distributions	-	-	320	34	389
Net unrealized appreciation (depreciation) of investments	(14)	(6)	(2,315)	(976)	(2,716)
Net realized and unrealized gain (loss) on investments	(14)	(6)	(1,995)	(942)	(2,327)
Net increase (decrease) in net assets resulting from operations	\$ (14)	\$ (7)	\$ (2,023)	\$ (945)	\$ (2,314)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING BlackRock Large Cap Growth Portfolio - Service Class	ING BlackRock Large Cap Value Portfolio - Service Class	ING Capital Guardian U.S. Equities Portfolio - Service Class	ING EquitiesPlus Portfolio - Service Class	ING Evergreen Health Sciences Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ -	\$ -	\$ 53	\$ 143	\$ -
Total investment income	-	-	53	143	-
Expenses:					
Mortality and expense risk and other charges	5	1	36	9	4
Annual administrative charges	-	-	(2)	(1)	-
Contingent deferred sales charges	1	-	-	-	-
Total expenses	6	1	34	8	4
Net investment income (loss)	(6)	(1)	19	135	(4)
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(16)	(3)	(1,184)	(507)	(36)
Capital gains distributions	37	4	597	124	13
Total realized gain (loss) on investments and capital gains distributions	21	1	(587)	(383)	(23)
Net unrealized appreciation (depreciation) of investments	(188)	(40)	(44)	(26)	(82)
Net realized and unrealized gain (loss) on investments	(167)	(39)	(631)	(409)	(105)
Net increase (decrease) in net assets resulting from operations	\$ (173)	\$ (40)	\$ (612)	\$ (274)	\$ (109)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING Evergreen Omega Portfolio - Service Class	ING FMRSM Diversified Mid Cap Portfolio - Service Class	ING Franklin Income Portfolio - Service Class	ING Franklin Mutual Shares Portfolio - Service Class	ING Franklin Templeton Founding Strategy Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ -	\$ 92	\$ 24	\$ 5	\$ -
Total investment income	-	92	24	5	-
Expenses:					
Mortality and expense risk and other charges	-	214	12	3	6
Annual administrative charges	-	(2)	-	-	-
Contingent deferred sales charges	-	6	-	-	-
Total expenses	-	218	12	3	6
Net investment income (loss)	-	(126)	12	2	(6)
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	-	(287)	(114)	(40)	(34)
Capital gains distributions	-	995	6	-	-
Total realized gain (loss) on investments and capital gains distributions	-	708	(108)	(40)	(34)
Net unrealized appreciation (depreciation) of investments	-	(6,952)	(177)	(62)	(118)
Net realized and unrealized gain (loss) on investments	-	(6,244)	(285)	(102)	(152)
Net increase (decrease) in net assets resulting from operations	\$ -	\$ (6,370)	\$ (273)	\$ (100)	\$ (158)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING Global Real Estate Portfolio - Service Class	ING Global Resources Portfolio - Service Class	ING Global Technology Portfolio - Service Class	ING International Growth Opportunities Portfolio - Service Class	ING Janus Contrarian Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ -	\$ 76	\$ -	\$ 106	\$ 18
Total investment income	-	76	-	106	18
Expenses:					
Mortality and expense risk and other charges	5	68	-	144	49
Annual administrative charges	-	-	-	(3)	(1)
Contingent deferred sales charges	-	1	-	2	2
Total expenses	5	69	-	143	50
Net investment income (loss)	(5)	7	-	(37)	(32)
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(88)	(10)	(8)	(185)	(425)
Capital gains distributions	-	777	5	2,849	422
Total realized gain (loss) on investments and capital gains distributions	(88)	767	(3)	2,664	(3)
Net unrealized appreciation (depreciation) of investments	(61)	(2,837)	(1)	(8,814)	(1,907)
Net realized and unrealized gain (loss) on investments	(149)	(2,070)	(4)	(6,150)	(1,910)
Net increase (decrease) in net assets resulting from operations	\$ (154)	\$ (2,063)	\$ (4)	\$ (6,187)	\$ (1,942)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING JPMorgan Emerging Markets Equity Portfolio - Service Class	ING JPMorgan Small Cap Core Equity Portfolio - Service Class	ING JPMorgan Value Opportunities Portfolio - Service Class	ING Julius Baer Foreign Portfolio - Service Class	ING Legg Mason Value Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ 122	\$ 2	\$ 2	\$ -	\$ -
Total investment income	122	2	2	-	-
Expenses:					
Mortality and expense risk and other charges	76	6	1	35	6
Annual administrative charges	(1)	-	-	-	-
Contingent deferred sales charges	3	-	-	-	-
Total expenses	78	6	1	35	6
Net investment income (loss)	44	(4)	1	(35)	(6)
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	587	(30)	(6)	(42)	(30)
Capital gains distributions	301	34	7	235	94
Total realized gain (loss) on investments and capital gains distributions	888	4	1	193	64
Net unrealized appreciation (depreciation) of investments	(4,317)	(124)	(32)	(1,411)	(364)
Net realized and unrealized gain (loss) on investments	(3,429)	(120)	(31)	(1,218)	(300)
Net increase (decrease) in net assets resulting from operations	\$ (3,385)	\$ (124)	\$ (30)	\$ (1,253)	\$ (306)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING LifeStyle Aggressive Growth Portfolio - Service Class	ING LifeStyle Growth Portfolio - Service Class	ING LifeStyle Moderate Growth Portfolio - Service Class	ING LifeStyle Moderate Portfolio - Service Class	ING Limited Maturity Bond Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ 49	\$ 106	\$ 90	\$ 61	\$ 463
Total investment income	49	106	90	61	463
Expenses:					
Mortality and expense risk and other charges	47	99	73	48	108
Annual administrative charges	-	-	-	-	-
Contingent deferred sales charges	1	2	-	-	-
Total expenses	48	101	73	48	108
Net investment income (loss)	1	5	17	13	355
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(61)	(126)	8	(155)	(124)
Capital gains distributions	300	368	219	110	50
Total realized gain (loss) on investments and capital gains distributions	239	242	227	(45)	(74)
Net unrealized appreciation (depreciation) of investments	(1,834)	(3,083)	(1,965)	(942)	(384)
Net realized and unrealized gain (loss) on investments	(1,595)	(2,841)	(1,738)	(987)	(458)
Net increase (decrease) in net assets resulting from operations	\$ (1,594)	\$ (2,836)	\$ (1,721)	\$ (974)	\$ (103)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING Liquid Assets Portfolio - Service Class	ING Lord Abbott Affiliated Portfolio - Service Class	ING Marsico Growth Portfolio - Service Class	ING Marsico International Opportunities Portfolio - Service Class	ING MFS Total Return Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ 336	\$ 20	\$ 124	\$ 4	\$ 3,793
Total investment income	336	20	124	4	3,793
Expenses:					
Mortality and expense risk and other charges	291	13	377	5	1,017
Annual administrative charges	4	-	(4)	-	(4)
Contingent deferred sales charges	313	-	9	-	9
Total expenses	608	13	382	5	1,022
Net investment income (loss)	(272)	7	(258)	(1)	2,771
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	-	(53)	682	(45)	(1,140)
Capital gains distributions	-	119	-	37	6,411
Total realized gain (loss) on investments and capital gains distributions	-	66	682	(8)	5,271
Net unrealized appreciation (depreciation) of investments	-	(461)	(12,556)	(212)	(25,211)
Net realized and unrealized gain (loss) on investments	-	(395)	(11,874)	(220)	(19,940)
Net increase (decrease) in net assets resulting from operations	\$ (272)	\$ (388)	\$ (12,132)	\$ (221)	\$ (17,169)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING MFS Utilities Portfolio - Service Class	ING Mid Cap Growth Portfolio - Service Class	ING Oppenheimer Main Street Portfolio® - Service Class	ING PIMCO Core Bond Portfolio - Service Class	ING PIMCO High Yield Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ 61	\$ -	\$ 1,356	\$ 201	\$ 230
Total investment income	61	-	1,356	201	230
Expenses:					
Mortality and expense risk and other charges	30	173	835	98	42
Annual administrative charges	-	(27)	(7)	1	-
Contingent deferred sales charges	1	2	5	-	-
Total expenses	31	148	833	99	42
Net investment income (loss)	30	(148)	523	102	188
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	17	(10,201)	(5,629)	89	(167)
Capital gains distributions	231	-	-	52	1
Total realized gain (loss) on investments and capital gains distributions	248	(10,201)	(5,629)	141	(166)
Net unrealized appreciation (depreciation) of investments	(1,169)	6,493	(20,351)	(84)	(685)
Net realized and unrealized gain (loss) on investments	(921)	(3,708)	(25,980)	57	(851)
Net increase (decrease) in net assets resulting from operations	\$ (891)	\$ (3,856)	\$ (25,457)	\$ 159	\$ (663)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING Pioneer Fund Portfolio - Service Class	ING Pioneer Mid Cap Value Portfolio - Service Class	ING T. Rowe Price Capital Appreciation Portfolio - Service Class	ING T. Rowe Price Equity Income Portfolio - Service Class	ING Templeton Global Growth Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ 1	\$ 24	\$ 971	\$ 201	\$ 20
Total investment income	1	24	971	201	20
Expenses:					
Mortality and expense risk and other charges	1	15	371	77	31
Annual administrative charges	-	2	(2)	(1)	-
Contingent deferred sales charges	-	2	5	1	1
Total expenses	1	19	374	77	32
Net investment income (loss)	-	5	597	124	(12)
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(5)	(160)	1,145	(61)	49
Capital gains distributions	1	29	2,312	420	83
Total realized gain (loss) on investments and capital gains distributions	(4)	(131)	3,457	359	132
Net unrealized appreciation (depreciation) of investments	(13)	(615)	(11,643)	(2,645)	(1,126)
Net realized and unrealized gain (loss) on investments	(17)	(746)	(8,186)	(2,286)	(994)
Net increase (decrease) in net assets resulting from operations	\$ (17)	\$ (741)	\$ (7,589)	\$ (2,162)	\$ (1,006)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING Van Kampen Capital Growth Portfolio - Service Class	ING Van Kampen Global Franchise Portfolio - Service Class	ING Van Kampen Growth and Income Portfolio - Service Class	ING Van Kampen Large Cap Growth Portfolio - Service Class	ING Van Kampen Real Estate Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ -	\$ 9	\$ 808	\$ -	\$ 56
Total investment income	-	9	808	-	56
Expenses:					
Mortality and expense risk and other charges	1	8	338	-	76
Annual administrative charges	-	-	(2)	-	(1)
Contingent deferred sales charges	-	-	5	-	1
Total expenses	1	8	341	-	76
Net investment income (loss)	(1)	1	467	-	(20)
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(10)	(7)	(593)	(1)	(431)
Capital gains distributions	2	36	1,892	-	846
Total realized gain (loss) on investments and capital gains distributions	(8)	29	1,299	(1)	415
Net unrealized appreciation (depreciation) of investments	(27)	(198)	(10,288)	(1)	(2,352)
Net realized and unrealized gain (loss) on investments	(35)	(169)	(8,989)	(2)	(1,937)
Net increase (decrease) in net assets resulting from operations	\$ (36)	\$ (168)	\$ (8,522)	\$ (2)	\$ (1,957)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING VP Index Plus International Equity Portfolio - Service Class	ING Wells Fargo Disciplined Value Portfolio - Service Class	ING Wells Fargo Small Cap Disciplined Portfolio - Service Class	ING Baron Small Cap Growth Portfolio - Service Class	ING Columbia Small Cap Value II Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ 5	\$ 56	\$ 1	\$ -	\$ -
Total investment income	5	56	1	-	-
Expenses:					
Mortality and expense risk and other charges	1	25	1	7	6
Annual administrative charges	-	(2)	-	-	-
Contingent deferred sales charges	-	1	-	-	-
Total expenses	1	24	1	7	6
Net investment income (loss)	4	32	-	(7)	(6)
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(22)	357	(13)	(20)	(71)
Capital gains distributions	23	-	10	15	4
Total realized gain (loss) on investments and capital gains distributions	1	357	(3)	(5)	(67)
Net unrealized appreciation (depreciation) of investments	(50)	(626)	(23)	(231)	(127)
Net realized and unrealized gain (loss) on investments	(49)	(269)	(26)	(236)	(194)
Net increase (decrease) in net assets resulting from operations	\$ (45)	\$ (237)	\$ (26)	\$ (243)	\$ (200)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING Davis New York Venture Portfolio - Service Class	ING JPMorgan International Portfolio - Service Class	ING JPMorgan Mid Cap Value Portfolio - Service Class	ING Legg Mason Partners Aggressive Growth Portfolio - Service Class	ING Neuberger Berman Partners Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ 2	\$ 11	\$ 1	\$ -	\$ -
Total investment income	2	11	1	-	-
Expenses:					
Mortality and expense risk and other charges	4	2	-	-	14
Annual administrative charges	-	-	-	-	-
Contingent deferred sales charges	-	-	-	-	-
Total expenses	4	2	-	-	14
Net investment income (loss)	(2)	9	1	-	(14)
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(29)	(170)	(19)	(3)	(33)
Capital gains distributions	3	205	4	-	-
Total realized gain (loss) on investments and capital gains distributions	(26)	35	(15)	(3)	(33)
Net unrealized appreciation (depreciation) of investments	(104)	(56)	-	(8)	(538)
Net realized and unrealized gain (loss) on investments	(130)	(21)	(15)	(11)	(571)
Net increase (decrease) in net assets resulting from operations	\$ (132)	\$ (12)	\$ (14)	\$ (11)	\$ (585)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING Neuberger Berman Regency Portfolio - Service Class	ING Oppenheimer Global Portfolio - Service Class	ING T. Rowe Price Growth Equity Portfolio - Service Class	ING Templeton Foreign Equity Portfolio - Service Class	ING UBS U.S. Large Cap Equity Portfolio - Service Class
Net investment income (loss)					
Income:					
Dividends	\$ -	\$ 9	\$ -	\$ 7	\$ 1
Total investment income	-	9	-	7	1
Expenses:					
Mortality and expense risk and other charges	-	6	-	5	1
Annual administrative charges	-	-	-	-	-
Contingent deferred sales charges	-	-	-	-	-
Total expenses	-	6	-	5	1
Net investment income (loss)	-	3	-	2	-
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(7)	(12)	(13)	(63)	(1)
Capital gains distributions	-	36	2	-	-
Total realized gain (loss) on investments and capital gains distributions	(7)	24	(11)	(63)	(1)
Net unrealized appreciation (depreciation) of investments	6	(241)	(3)	(146)	(41)
Net realized and unrealized gain (loss) on investments	(1)	(217)	(14)	(209)	(42)
Net increase (decrease) in net assets resulting from operations	\$ (1)	\$ (214)	\$ (14)	\$ (207)	\$ (42)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING Van Kampen Comstock Portfolio - Service Class	ING Van Kampen Equity and Income Portfolio - Service Class	ING VP Growth and Income Portfolio - Class I	ING VP Growth and Income Portfolio - Class S	ING VP Global Equity Dividend Portfolio
Net investment income (loss)					
Income:					
Dividends	\$ 12	\$ 17	\$ 237	\$ 39	\$ 6
Total investment income	12	17	237	39	6
Expenses:					
Mortality and expense risk and other charges	6	6	264	11	2
Annual administrative charges	-	-	(2)	2	-
Contingent deferred sales charges	-	-	-	-	-
Total expenses	6	6	262	13	2
Net investment income (loss)	6	11	(25)	26	4
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(46)	(31)	(695)	(51)	(58)
Capital gains distributions	18	21	-	-	76
Total realized gain (loss) on investments and capital gains distributions	(28)	(10)	(695)	(51)	18
Net unrealized appreciation (depreciation) of investments	(147)	(102)	(7,114)	(773)	(49)
Net realized and unrealized gain (loss) on investments	(175)	(112)	(7,809)	(824)	(31)
Net increase (decrease) in net assets resulting from operations	\$ (169)	\$ (101)	\$ (7,834)	\$ (798)	\$ (27)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING BlackRock Global Science and Technology Portfolio - Class S	ING International Index Portfolio - Class S	ING Lehman Brothers U.S. Aggregate Bond Index® Portfolio - Class S	ING Russell™ Large Cap Index Portfolio - Class S	ING Russell™ Mid Cap Index Portfolio - Class S
Net investment income (loss)					
Income:					
Dividends	\$ -	\$ -	\$ 1	\$ -	\$ -
Total investment income	-	-	1	-	-
Expenses:					
Mortality and expense risk and other charges	1	-	1	-	-
Annual administrative charges	-	-	-	-	-
Contingent deferred sales charges	-	-	-	-	-
Total expenses	1	-	1	-	-
Net investment income (loss)	(1)	-	-	-	-
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(3)	(2)	(1)	-	-
Capital gains distributions	-	-	-	-	-
Total realized gain (loss) on investments and capital gains distributions	(3)	(2)	(1)	-	-
Net unrealized appreciation (depreciation) of investments	(19)	-	1	(2)	(5)
Net realized and unrealized gain (loss) on investments	(22)	(2)	-	(2)	(5)
Net increase (decrease) in net assets resulting from operations	\$ (23)	\$ (2)	\$ -	\$ (2)	\$ (5)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING Russell™ Small Cap Index Portfolio - Class S	ING VP Index Plus LargeCap Portfolio - Class S	ING VP Index Plus MidCap Portfolio - Class S	ING VP Index Plus SmallCap Portfolio - Class S	ING VP Small Company Portfolio - Class S
Net investment income (loss)					
Income:					
Dividends	\$ -	\$ 5	\$ 7	\$ 5	\$ -
Total investment income	-	5	7	5	-
Expenses:					
Mortality and expense risk and other charges	-	4	8	11	-
Annual administrative charges	-	-	-	-	-
Contingent deferred sales charges	-	-	-	-	-
Total expenses	-	4	8	11	-
Net investment income (loss)	-	1	(1)	(6)	-
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(2)	(5)	(81)	(114)	(1)
Capital gains distributions	-	20	82	53	-
Total realized gain (loss) on investments and capital gains distributions	(2)	15	1	(61)	(1)
Net unrealized appreciation (depreciation) of investments	(9)	(136)	(224)	(202)	(8)
Net realized and unrealized gain (loss) on investments	(11)	(121)	(223)	(263)	(9)
Net increase (decrease) in net assets resulting from operations	\$ (11)	\$ (120)	\$ (224)	\$ (269)	\$ (9)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	ING WisdomTree SM Global High- Yielding Equity Index Portfolio - Class S	ING VP Financial Services Portfolio - Class S	ING VP MidCap Opportunities Portfolio - Class S	ING VP SmallCap Opportunities Portfolio - Class S	ING VP Intermediate Bond Portfolio - Class S
Net investment income (loss)					
Income:					
Dividends	\$ 2	\$ 2	\$ -	\$ -	\$ 75
Total investment income	2	2	-	-	75
Expenses:					
Mortality and expense risk and other charges	-	1	293	-	21
Annual administrative charges	-	-	22	-	-
Contingent deferred sales charges	-	-	4	-	-
Total expenses	-	1	319	-	21
Net investment income (loss)	2	1	(319)	-	54
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(2)	(70)	(478)	6	(48)
Capital gains distributions	-	7	-	2	37
Total realized gain (loss) on investments and capital gains distributions	(2)	(63)	(478)	8	(11)
Net unrealized appreciation (depreciation) of investments	(26)	36	(10,595)	(16)	(198)
Net realized and unrealized gain (loss) on investments	(28)	(27)	(11,073)	(8)	(209)
Net increase (decrease) in net assets resulting from operations	\$ (26)	\$ (26)	\$ (11,392)	\$ (8)	\$ (155)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	Legg Mason Partners Variable International All Cap Opportunity Portfolio	Legg Mason Partners Variable Investors Portfolio	Legg Mason Partners Variable Lifestyle Allocation 50%	Legg Mason Partners Variable Lifestyle Allocation 70%	Legg Mason Partners Variable Lifestyle Allocation 85%
Net investment income (loss)					
Income:					
Dividends	\$ 118	\$ 237	\$ 555	\$ 305	\$ 141
Total investment income	118	237	555	305	141
Expenses:					
Mortality and expense risk and other charges	95	293	256	213	137
Annual administrative charges	(1)	(2)	(1)	(2)	(1)
Contingent deferred sales charges	-	1	3	3	-
Total expenses	94	292	258	214	136
Net investment income (loss)	24	(55)	297	91	5
Realized and unrealized gain (loss) on investments					
Net realized gain (loss) on investments	(2,875)	(1,217)	(537)	(606)	(579)
Capital gains distributions	-	568	592	14	60
Total realized gain (loss) on investments and capital gains distributions	(2,875)	(649)	55	(592)	(519)
Net unrealized appreciation (depreciation) of investments	(534)	(7,598)	(5,687)	(4,791)	(3,382)
Net realized and unrealized gain (loss) on investments	(3,409)	(8,247)	(5,632)	(5,383)	(3,901)
Net increase (decrease) in net assets resulting from operations	\$ (3,385)	\$ (8,302)	\$ (5,335)	\$ (5,292)	\$ (3,896)

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Operations
Year ended December 31, 2008
(Dollars in thousands)

	Legg Mason Partners Variable High Income Portfolio	Legg Mason Partners Variable Money Market Portfolio
Net investment income (loss)		
Income:		
Dividends	\$ 513	\$ 80
Total investment income	513	80
Expenses:		
Mortality and expense risk and other charges	78	47
Annual administrative charges	-	-
Contingent deferred sales charges	-	1
Total expenses	78	48
Net investment income (loss)	435	32
 Realized and unrealized gain (loss) on investments		
Net realized gain (loss) on investments	(91)	-
Capital gains distributions	-	-
Total realized gain (loss) on investments and capital gains distributions	(91)	-
Net unrealized appreciation (depreciation) of investments	(2,010)	-
Net realized and unrealized gain (loss) on investments	(2,101)	-
Net increase (decrease) in net assets resulting from operations	\$ (1,666)	\$ 32

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	BlackRock Global Allocation V.I. Fund - Class III	Columbia Small Cap Value Fund, Variable Series - Class B	Fidelity® VIP Equity-Income Portfolio - Service Class 2	Fidelity® VIP Contrafund® Portfolio - Service Class 2
Net assets at January 1, 2007	\$ -	\$ 766	\$ 376	\$ 2,050
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	-	(8)	1	(14)
Total realized gain (loss) on investments and capital gains distributions	-	95	50	769
Net unrealized appreciation (depreciation) of investments	-	(107)	(59)	(423)
Net increase (decrease) in net assets resulting from operations	-	(20)	(8)	332
Changes from principal transactions:				
Premiums	-	5	10	48
Death benefits	-	(5)	-	(1)
Surrenders and withdrawals	-	(51)	(63)	(82)
Transfers between Divisions (including fixed account), net	-	(155)	124	560
Increase (decrease) in net assets derived from principal transactions	-	(206)	71	525
Total increase (decrease)	-	(226)	63	857
Net assets at December 31, 2007	-	540	439	2,907
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	9	(4)	-	(20)
Total realized gain (loss) on investments and capital gains distributions	(3)	14	(53)	(440)
Net unrealized appreciation (depreciation) of investments	(62)	(139)	(74)	(628)
Net increase (decrease) in net assets resulting from operations	(56)	(129)	(127)	(1,088)
Changes from principal transactions:				
Premiums	1	-	1	61
Death benefits	-	(3)	-	(37)
Surrenders and withdrawals	(21)	(37)	(24)	(162)
Transfers between Divisions (including fixed account), net	474	(115)	(157)	(508)
Increase (decrease) in net assets derived from principal transactions	454	(155)	(180)	(646)
Total increase (decrease)	398	(284)	(307)	(1,734)
Net assets at December 31, 2008	\$ 398	\$ 256	\$ 132	\$ 1,173

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING AllianceBernstein Mid Cap Growth Portfolio - Service Class	ING American Funds Asset Allocation Portfolio	ING American Funds Bond Portfolio	ING American Funds Growth Portfolio
Net assets at January 1, 2007	\$ 34,265	\$ -	\$ -	\$ 4,099
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(475)	-	-	(58)
Total realized gain (loss) on investments and capital gains distributions	3,107	-	-	241
Net unrealized appreciation (depreciation) of investments	225	-	-	222
Net increase (decrease) in net assets resulting from operations	2,857	-	-	405
Changes from principal transactions:				
Premiums	705	-	-	170
Death benefits	(429)	-	-	(69)
Surrenders and withdrawals	(1,544)	-	-	(201)
Transfers between Divisions (including fixed account), net	(7,775)	-	-	924
Increase (decrease) in net assets derived from principal transactions	(9,043)	-	-	824
Total increase (decrease)	(6,186)	-	-	1,229
Net assets at December 31, 2007	28,079	-	-	5,328
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(305)	-	(1)	(28)
Total realized gain (loss) on investments and capital gains distributions	4,060	-	-	320
Net unrealized appreciation (depreciation) of investments	(15,283)	(14)	(6)	(2,315)
Net increase (decrease) in net assets resulting from operations	(11,528)	(14)	(7)	(2,023)
Changes from principal transactions:				
Premiums	558	-	-	122
Death benefits	(202)	-	-	(47)
Surrenders and withdrawals	(882)	-	(4)	(236)
Transfers between Divisions (including fixed account), net	(4,336)	53	281	(893)
Increase (decrease) in net assets derived from principal transactions	(4,862)	53	277	(1,054)
Total increase (decrease)	(16,390)	39	270	(3,077)
Net assets at December 31, 2008	\$ 11,689	\$ 39	\$ 270	\$ 2,251

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	<u>ING American Funds Growth- Income Portfolio</u>	<u>ING American Funds International Portfolio</u>	<u>ING BlackRock Large Cap Growth Portfolio - Service Class</u>	<u>ING BlackRock Large Cap Value Portfolio - Service Class</u>
Net assets at January 1, 2007	\$ 2,370	\$ 4,297	\$ 706	\$ 212
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(14)	(30)	(10)	(2)
Total realized gain (loss) on investments and capital gains distributions	182	391	52	22
Net unrealized appreciation (depreciation) of investments	(119)	428	(4)	(9)
Net increase (decrease) in net assets resulting from operations	49	789	38	11
Changes from principal transactions:				
Premiums	79	227	31	1
Death benefits	(44)	(106)	(29)	-
Surrenders and withdrawals	(142)	(242)	(60)	(11)
Transfers between Divisions (including fixed account), net	398	1,056	(174)	(42)
Increase (decrease) in net assets derived from principal transactions	291	935	(232)	(52)
Total increase (decrease)	340	1,724	(194)	(41)
Net assets at December 31, 2007	2,710	6,021	512	171
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(3)	13	(6)	(1)
Total realized gain (loss) on investments and capital gains distributions	34	389	21	1
Net unrealized appreciation (depreciation) of investments	(976)	(2,716)	(188)	(40)
Net increase (decrease) in net assets resulting from operations	(945)	(2,314)	(173)	(40)
Changes from principal transactions:				
Premiums	50	192	32	-
Death benefits	(56)	(8)	(9)	(19)
Surrenders and withdrawals	(150)	(216)	(23)	(3)
Transfers between Divisions (including fixed account), net	(254)	(1,092)	(102)	(57)
Increase (decrease) in net assets derived from principal transactions	(410)	(1,124)	(102)	(79)
Total increase (decrease)	(1,355)	(3,438)	(275)	(119)
Net assets at December 31, 2008	\$ 1,355	\$ 2,583	\$ 237	\$ 52

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING Capital Guardian U.S. Equities Portfolio - Service Class	ING EquitiesPlus Portfolio - Service Class	ING Evergreen Health Sciences Portfolio - Service Class	ING Evergreen Omega Portfolio - Service Class
Net assets at January 1, 2007	\$ 6,818	\$ 2,697	\$ 226	\$ 2
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(54)	54	(3)	-
Total realized gain (loss) on investments and capital gains distributions	865	184	27	-
Net unrealized appreciation (depreciation) of investments	(832)	(186)	(12)	-
Net increase (decrease) in net assets resulting from operations	(21)	52	12	-
Changes from principal transactions:				
Premiums	152	49	8	-
Death benefits	(49)	(21)	(17)	-
Surrenders and withdrawals	(374)	(117)	(30)	-
Transfers between Divisions (including fixed account), net	(2,125)	(558)	(33)	-
Increase (decrease) in net assets derived from principal transactions	(2,396)	(647)	(72)	-
Total increase (decrease)	(2,417)	(595)	(60)	-
Net assets at December 31, 2007	4,401	2,102	166	2
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	19	135	(4)	-
Total realized gain (loss) on investments and capital gains distributions	(587)	(383)	(23)	-
Net unrealized appreciation (depreciation) of investments	(44)	(26)	(82)	-
Net increase (decrease) in net assets resulting from operations	(612)	(274)	(109)	-
Changes from principal transactions:				
Premiums	47	17	12	-
Death benefits	(13)	(10)	-	-
Surrenders and withdrawals	(120)	(67)	(6)	-
Transfers between Divisions (including fixed account), net	(3,703)	(1,768)	206	(2)
Increase (decrease) in net assets derived from principal transactions	(3,789)	(1,828)	212	(2)
Total increase (decrease)	(4,401)	(2,102)	103	(2)
Net assets at December 31, 2008	\$ -	\$ -	\$ 269	\$ -

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING FMR SM Diversified Mid Cap Portfolio - Service Class	ING Franklin Income Portfolio - Service Class	ING Franklin Mutual Shares Portfolio - Service Class	ING Franklin Templeton Founding Strategy Portfolio - Service Class
Net assets at January 1, 2007	\$ 5,197	\$ 233	\$ -	\$ -
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(214)	(2)	(2)	(3)
Total realized gain (loss) on investments and capital gains distributions	551	18	(4)	-
Net unrealized appreciation (depreciation) of investments	928	(29)	1	(8)
Net increase (decrease) in net assets resulting from operations	1,265	(13)	(5)	(11)
Changes from principal transactions:				
Premiums	522	19	-	4
Death benefits	(40)	-	-	-
Surrenders and withdrawals	(669)	(37)	(22)	(12)
Transfers between Divisions (including fixed account), net	12,052	726	366	540
Increase (decrease) in net assets derived from principal transactions	11,865	708	344	532
Total increase (decrease)	13,130	695	339	521
Net assets at December 31, 2007	18,327	928	339	521
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(126)	12	2	(6)
Total realized gain (loss) on investments and capital gains distributions	708	(108)	(40)	(34)
Net unrealized appreciation (depreciation) of investments	(6,952)	(177)	(62)	(118)
Net increase (decrease) in net assets resulting from operations	(6,370)	(273)	(100)	(158)
Changes from principal transactions:				
Premiums	533	14	-	6
Death benefits	(77)	(2)	-	(6)
Surrenders and withdrawals	(700)	(39)	(26)	(49)
Transfers between Divisions (including fixed account), net	(2,921)	23	(89)	(54)
Increase (decrease) in net assets derived from principal transactions	(3,165)	(4)	(115)	(103)
Total increase (decrease)	(9,535)	(277)	(215)	(261)
Net assets at December 31, 2008	\$ 8,792	\$ 651	\$ 124	\$ 260

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING Global Real Estate Portfolio - Service Class	ING Global Resources Portfolio - Service Class	ING Global Technology Portfolio - Service Class	ING International Growth Opportunities Portfolio - Service Class
Net assets at January 1, 2007	\$ 84	\$ 3,760	\$ 56	\$ 15,080
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	8	(61)	(1)	(57)
Total realized gain (loss) on investments and capital gains distributions	12	672	4	3,015
Net unrealized appreciation (depreciation) of investments	(91)	496	-	(740)
Net increase (decrease) in net assets resulting from operations	(71)	1,107	3	2,218
Changes from principal transactions:				
Premiums	9	74	-	123
Death benefits	-	(68)	(8)	(96)
Surrenders and withdrawals	(23)	(207)	(24)	(694)
Transfers between Divisions (including fixed account), net	569	169	43	(3,085)
Increase (decrease) in net assets derived from principal transactions	555	(32)	11	(3,752)
Total increase (decrease)	484	1,075	14	(1,534)
Net assets at December 31, 2007	568	4,835	70	13,546
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(5)	7	-	(37)
Total realized gain (loss) on investments and capital gains distributions	(88)	767	(3)	2,664
Net unrealized appreciation (depreciation) of investments	(61)	(2,837)	(1)	(8,814)
Net increase (decrease) in net assets resulting from operations	(154)	(2,063)	(4)	(6,187)
Changes from principal transactions:				
Premiums	12	126	-	1
Death benefits	-	(64)	-	(92)
Surrenders and withdrawals	(20)	(223)	(1)	(449)
Transfers between Divisions (including fixed account), net	(220)	34	(65)	(1,881)
Increase (decrease) in net assets derived from principal transactions	(228)	(127)	(66)	(2,421)
Total increase (decrease)	(382)	(2,190)	(70)	(8,608)
Net assets at December 31, 2008	\$ 186	\$ 2,645	\$ -	\$ 4,938

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING Janus Contrarian Portfolio - Service Class	ING JPMorgan Emerging Markets Equity Portfolio - Service Class	ING JPMorgan Small Cap Core Equity Portfolio - Service Class	ING JPMorgan Value Opportunities Portfolio - Service Class
Net assets at January 1, 2007	\$ 509	\$ 5,079	\$ 545	\$ 193
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(48)	(31)	(7)	(1)
Total realized gain (loss) on investments and capital gains distributions	220	774	42	20
Net unrealized appreciation (depreciation) of investments	81	998	(54)	(23)
Net increase (decrease) in net assets resulting from operations	253	1,741	(19)	(4)
Changes from principal transactions:				
Premiums	71	103	12	3
Death benefits	(18)	(110)	-	-
Surrenders and withdrawals	(98)	(330)	(15)	(9)
Transfers between Divisions (including fixed account), net	3,699	372	(28)	(84)
Increase (decrease) in net assets derived from principal transactions	3,654	35	(31)	(90)
Total increase (decrease)	3,907	1,776	(50)	(94)
Net assets at December 31, 2007	4,416	6,855	495	99
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(32)	44	(4)	1
Total realized gain (loss) on investments and capital gains distributions	(3)	888	4	1
Net unrealized appreciation (depreciation) of investments	(1,907)	(4,317)	(124)	(32)
Net increase (decrease) in net assets resulting from operations	(1,942)	(3,385)	(124)	(30)
Changes from principal transactions:				
Premiums	93	153	6	-
Death benefits	(15)	(7)	-	-
Surrenders and withdrawals	(196)	(468)	(26)	(2)
Transfers between Divisions (including fixed account), net	(712)	(480)	(115)	(26)
Increase (decrease) in net assets derived from principal transactions	(830)	(802)	(135)	(28)
Total increase (decrease)	(2,772)	(4,187)	(259)	(58)
Net assets at December 31, 2008	\$ 1,644	\$ 2,668	\$ 236	\$ 41

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING Julius Baer Foreign Portfolio - Service Class	ING Legg Mason Value Portfolio - Service Class	ING LifeStyle Aggressive Growth Portfolio - Service Class	ING LifeStyle Growth Portfolio - Service Class
Net assets at January 1, 2007	\$ 2,275	\$ 765	\$ 2,991	\$ 6,276
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(37)	(11)	(36)	(49)
Total realized gain (loss) on investments and capital gains distributions	359	43	211	309
Net unrealized appreciation (depreciation) of investments	25	(81)	(153)	(119)
Net increase (decrease) in net assets resulting from operations	347	(49)	22	141
Changes from principal transactions:				
Premiums	70	11	118	291
Death benefits	(17)	(20)	-	(26)
Surrenders and withdrawals	(152)	(14)	(166)	(401)
Transfers between Divisions (including fixed account), net	543	(69)	1,278	1,989
Increase (decrease) in net assets derived from principal transactions	444	(92)	1,230	1,853
Total increase (decrease)	791	(141)	1,252	1,994
Net assets at December 31, 2007	3,066	624	4,243	8,270
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(35)	(6)	1	5
Total realized gain (loss) on investments and capital gains distributions	193	64	239	242
Net unrealized appreciation (depreciation) of investments	(1,411)	(364)	(1,834)	(3,083)
Net increase (decrease) in net assets resulting from operations	(1,253)	(306)	(1,594)	(2,836)
Changes from principal transactions:				
Premiums	101	3	104	231
Death benefits	(27)	-	-	-
Surrenders and withdrawals	(223)	(34)	(202)	(385)
Transfers between Divisions (including fixed account), net	(277)	(63)	(527)	(812)
Increase (decrease) in net assets derived from principal transactions	(426)	(94)	(625)	(966)
Total increase (decrease)	(1,679)	(400)	(2,219)	(3,802)
Net assets at December 31, 2008	\$ 1,387	\$ 224	\$ 2,024	\$ 4,468

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING LifeStyle Moderate Growth Portfolio - Service Class	ING LifeStyle Moderate Portfolio - Service Class	ING Limited Maturity Bond Portfolio - Service Class	ING Liquid Assets Portfolio - Service Class
Net assets at January 1, 2007	\$ 4,770	\$ 3,148	\$ 9,999	\$ 11,225
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(16)	(1)	38	(132)
Total realized gain (loss) on investments and capital gains distributions	271	245	(153)	-
Net unrealized appreciation (depreciation) of investments	(124)	(108)	475	-
Net increase (decrease) in net assets resulting from operations	131	136	360	(132)
Changes from principal transactions:				
Premiums	121	67	44	341
Death benefits	-	-	(158)	(636)
Surrenders and withdrawals	(689)	(242)	(500)	(72,544)
Transfers between Divisions (including fixed account), net	1,985	900	(1,618)	72,731
Increase (decrease) in net assets derived from principal transactions	1,417	725	(2,232)	(108)
Total increase (decrease)	1,548	861	(1,872)	(240)
Net assets at December 31, 2007	6,318	4,009	8,127	10,985
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	17	13	355	(272)
Total realized gain (loss) on investments and capital gains distributions	227	(45)	(74)	-
Net unrealized appreciation (depreciation) of investments	(1,965)	(942)	(384)	-
Net increase (decrease) in net assets resulting from operations	(1,721)	(974)	(103)	(272)
Changes from principal transactions:				
Premiums	102	12	3	272
Death benefits	(64)	-	(265)	(180)
Surrenders and withdrawals	(245)	(247)	(467)	(75,758)
Transfers between Divisions (including fixed account), net	(850)	(331)	(1,301)	81,831
Increase (decrease) in net assets derived from principal transactions	(1,057)	(566)	(2,030)	6,165
Total increase (decrease)	(2,778)	(1,540)	(2,133)	5,893
Net assets at December 31, 2008	\$ 3,540	\$ 2,469	\$ 5,994	\$ 16,878

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING Lord Abbett Affiliated Portfolio - Service Class	ING Marsico Growth Portfolio - Service Class	ING Marsico International Opportunities Portfolio - Service Class	ING MFS Total Return Portfolio - Service Class
Net assets at January 1, 2007	\$ 1,672	\$ 37,748	\$ 232	\$ 105,726
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	1	(546)	(2)	1,214
Total realized gain (loss) on investments and capital gains distributions	191	1,768	34	8,691
Net unrealized appreciation (depreciation) of investments	(142)	2,890	7	(7,152)
Net increase (decrease) in net assets resulting from operations	50	4,112	39	2,753
Changes from principal transactions:				
Premiums	20	1,207	36	1,758
Death benefits	(7)	(253)	-	(883)
Surrenders and withdrawals	(113)	(1,582)	(25)	(5,616)
Transfers between Divisions (including fixed account), net	(429)	(8,469)	197	(19,166)
Increase (decrease) in net assets derived from principal transactions	(529)	(9,097)	208	(23,907)
Total increase (decrease)	(479)	(4,985)	247	(21,154)
Net assets at December 31, 2007	1,193	32,763	479	84,572
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	7	(258)	(1)	2,771
Total realized gain (loss) on investments and capital gains distributions	66	682	(8)	5,271
Net unrealized appreciation (depreciation) of investments	(461)	(12,556)	(212)	(25,211)
Net increase (decrease) in net assets resulting from operations	(388)	(12,132)	(221)	(17,169)
Changes from principal transactions:				
Premiums	2	968	10	1,231
Death benefits	(11)	(278)	(3)	(1,183)
Surrenders and withdrawals	(79)	(1,163)	(30)	(4,014)
Transfers between Divisions (including fixed account), net	(192)	(4,194)	(57)	(13,203)
Increase (decrease) in net assets derived from principal transactions	(280)	(4,667)	(80)	(17,169)
Total increase (decrease)	(668)	(16,799)	(301)	(34,338)
Net assets at December 31, 2008	\$ 525	\$ 15,964	\$ 178	\$ 50,234

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING MFS Utilities Portfolio - Service Class	ING Mid Cap Growth Portfolio - Service Class	ING Oppenheimer Main Street Portfolio® - Service Class	ING PIMCO Core Bond Portfolio - Service Class
Net assets at January 1, 2007	\$ 1,060	\$ 53,828	\$ 90,010	\$ 6,809
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(12)	(738)	(452)	115
Total realized gain (loss) on investments and capital gains distributions	236	(4,507)	(795)	32
Net unrealized appreciation (depreciation) of investments	123	5,419	3,960	296
Net increase (decrease) in net assets resulting from operations	347	174	2,713	443
Changes from principal transactions:				
Premiums	39	1,177	1,269	125
Death benefits	(45)	(475)	(819)	(102)
Surrenders and withdrawals	(104)	(1,991)	(3,539)	(334)
Transfers between Divisions (including fixed account), net	1,011	(11,638)	(17,547)	(676)
Increase (decrease) in net assets derived from principal transactions	901	(12,927)	(20,636)	(987)
Total increase (decrease)	1,248	(12,753)	(17,923)	(544)
Net assets at December 31, 2007	2,308	41,075	72,087	6,265
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	30	(148)	523	102
Total realized gain (loss) on investments and capital gains distributions	248	(10,201)	(5,629)	141
Net unrealized appreciation (depreciation) of investments	(1,169)	6,493	(20,351)	(84)
Net increase (decrease) in net assets resulting from operations	(891)	(3,856)	(25,457)	159
Changes from principal transactions:				
Premiums	64	335	939	103
Death benefits	(34)	(118)	(577)	(82)
Surrenders and withdrawals	(84)	(442)	(2,272)	(365)
Transfers between Divisions (including fixed account), net	(38)	(36,994)	(8,993)	568
Increase (decrease) in net assets derived from principal transactions	(92)	(37,219)	(10,903)	224
Total increase (decrease)	(983)	(41,075)	(36,360)	383
Net assets at December 31, 2008	\$ 1,325	\$ -	\$ 35,727	\$ 6,648

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING PIMCO High Yield Portfolio - Service Class	ING Pioneer Fund Portfolio - Service Class	ING Pioneer Mid Cap Value Portfolio - Service Class	ING T. Rowe Price Capital Appreciation Portfolio - Service Class
Net assets at January 1, 2007	\$ 4,232	\$ 65	\$ 358	\$ 34,370
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	200	(1)	(6)	89
Total realized gain (loss) on investments and capital gains distributions	(16)	7	91	5,377
Net unrealized appreciation (depreciation) of investments	(123)	(5)	(78)	(4,439)
Net increase (decrease) in net assets resulting from operations	61	1	7	1,027
Changes from principal transactions:				
Premiums	62	3	10	974
Death benefits	(55)	-	-	(583)
Surrenders and withdrawals	(174)	(2)	(16)	(1,799)
Transfers between Divisions (including fixed account), net	(578)	(19)	208	(3,797)
Increase (decrease) in net assets derived from principal transactions	(745)	(18)	202	(5,205)
Total increase (decrease)	(684)	(17)	209	(4,178)
Net assets at December 31, 2007	3,548	48	567	30,192
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	188	-	5	597
Total realized gain (loss) on investments and capital gains distributions	(166)	(4)	(131)	3,457
Net unrealized appreciation (depreciation) of investments	(685)	(13)	(615)	(11,643)
Net increase (decrease) in net assets resulting from operations	(663)	(17)	(741)	(7,589)
Changes from principal transactions:				
Premiums	19	1	23	755
Death benefits	(69)	-	(3)	(342)
Surrenders and withdrawals	(122)	(9)	(42)	(1,395)
Transfers between Divisions (including fixed account), net	(829)	(1)	1,891	(4,499)
Increase (decrease) in net assets derived from principal transactions	(1,001)	(9)	1,869	(5,481)
Total increase (decrease)	(1,664)	(26)	1,128	(13,070)
Net assets at December 31, 2008	\$ 1,884	\$ 22	\$ 1,695	\$ 17,122

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING T. Rowe Price Equity Income Portfolio - Service Class	ING Templeton Global Growth Portfolio - Service Class	ING Van Kampen Capital Growth Portfolio - Service Class	ING Van Kampen Global Franchise Portfolio - Service Class
Net assets at January 1, 2007	\$ 8,221	\$ 3,932	\$ 30	\$ 529
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(11)	(17)	-	(10)
Total realized gain (loss) on investments and capital gains distributions	795	361	3	66
Net unrealized appreciation (depreciation) of investments	(614)	(281)	-	(14)
Net increase (decrease) in net assets resulting from operations	170	63	3	42
Changes from principal transactions:				
Premiums	227	170	1	11
Death benefits	(33)	(54)	-	-
Surrenders and withdrawals	(383)	(170)	-	(22)
Transfers between Divisions (including fixed account), net	(1,445)	(987)	(21)	72
Increase (decrease) in net assets derived from principal transactions	(1,634)	(1,041)	(20)	61
Total increase (decrease)	(1,464)	(978)	(17)	103
Net assets at December 31, 2007	6,757	2,954	13	632
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	124	(12)	(1)	1
Total realized gain (loss) on investments and capital gains distributions	359	132	(8)	29
Net unrealized appreciation (depreciation) of investments	(2,645)	(1,126)	(27)	(198)
Net increase (decrease) in net assets resulting from operations	(2,162)	(1,006)	(36)	(168)
Changes from principal transactions:				
Premiums	186	112	1	6
Death benefits	(37)	(13)	-	(68)
Surrenders and withdrawals	(208)	(112)	-	(29)
Transfers between Divisions (including fixed account), net	(1,171)	(630)	55	(22)
Increase (decrease) in net assets derived from principal transactions	(1,230)	(643)	56	(113)
Total increase (decrease)	(3,392)	(1,649)	20	(281)
Net assets at December 31, 2008	\$ 3,365	\$ 1,305	\$ 33	\$ 351

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING Van Kampen Growth and Income Portfolio - Service Class	ING Van Kampen Large Cap Growth Portfolio - Service Class	ING Van Kampen Real Estate Portfolio - Service Class	ING VP Index Plus International Equity Portfolio - Service Class
Net assets at January 1, 2007	\$ 37,434	\$ 6	\$ 14,016	\$ 213
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(13)	-	(42)	(3)
Total realized gain (loss) on investments and capital gains distributions	3,218	-	3,470	34
Net unrealized appreciation (depreciation) of investments	(2,631)	-	(5,287)	(16)
Net increase (decrease) in net assets resulting from operations	574	-	(1,859)	15
Changes from principal transactions:				
Premiums	889	1	258	1
Death benefits	(205)	-	(185)	-
Surrenders and withdrawals	(1,632)	-	(555)	(35)
Transfers between Divisions (including fixed account), net	(7,844)	7	(4,892)	(63)
Increase (decrease) in net assets derived from principal transactions	(8,792)	8	(5,374)	(97)
Total increase (decrease)	(8,218)	8	(7,233)	(82)
Net assets at December 31, 2007	29,216	14	6,783	131
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	467	-	(20)	4
Total realized gain (loss) on investments and capital gains distributions	1,299	(1)	415	1
Net unrealized appreciation (depreciation) of investments	(10,288)	(1)	(2,352)	(50)
Net increase (decrease) in net assets resulting from operations	(8,522)	(2)	(1,957)	(45)
Changes from principal transactions:				
Premiums	683	-	73	-
Death benefits	(319)	-	(68)	-
Surrenders and withdrawals	(1,230)	-	(190)	(13)
Transfers between Divisions (including fixed account), net	(4,513)	(12)	(2,023)	(31)
Increase (decrease) in net assets derived from principal transactions	(5,379)	(12)	(2,208)	(44)
Total increase (decrease)	(13,901)	(14)	(4,165)	(89)
Net assets at December 31, 2008	\$ 15,315	\$ -	\$ 2,618	\$ 42

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING Wells Fargo Disciplined Value Portfolio - Service Class	ING Wells Fargo Small Cap Disciplined Portfolio - Service Class	ING Baron Small Cap Growth Portfolio - Service Class	ING Columbia Small Cap Value II Portfolio - Service Class
Net assets at January 1, 2007	\$ 3,520	\$ 96	\$ 522	\$ 267
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(20)	(2)	(9)	(6)
Total realized gain (loss) on investments and capital gains distributions	328	3	40	21
Net unrealized appreciation (depreciation) of investments	(454)	(7)	(10)	(11)
Net increase (decrease) in net assets resulting from operations	(146)	(6)	21	4
Changes from principal transactions:				
Premiums	118	2	8	20
Death benefits	(7)	-	(8)	(5)
Surrenders and withdrawals	(157)	(11)	(33)	(4)
Transfers between Divisions (including fixed account), net	(562)	14	116	157
Increase (decrease) in net assets derived from principal transactions	(608)	5	83	168
Total increase (decrease)	(754)	(1)	104	172
Net assets at December 31, 2007	2,766	95	626	439
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	32	-	(7)	(6)
Total realized gain (loss) on investments and capital gains distributions	357	(3)	(5)	(67)
Net unrealized appreciation (depreciation) of investments	(626)	(23)	(231)	(127)
Net increase (decrease) in net assets resulting from operations	(237)	(26)	(243)	(200)
Changes from principal transactions:				
Premiums	6	-	12	17
Death benefits	(46)	-	-	-
Surrenders and withdrawals	(89)	(4)	(12)	(9)
Transfers between Divisions (including fixed account), net	(2,400)	(25)	(51)	122
Increase (decrease) in net assets derived from principal transactions	(2,529)	(29)	(51)	130
Total increase (decrease)	(2,766)	(55)	(294)	(70)
Net assets at December 31, 2008	\$ -	\$ 40	\$ 332	\$ 369

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING Davis New York Venture Portfolio - Service Class	ING JPMorgan International Portfolio - Service Class	ING JPMorgan Mid Cap Value Portfolio - Service Class	ING Legg Mason Partners Aggressive Growth Portfolio - Service Class
Net assets at January 1, 2007	\$ 239	\$ 629	\$ -	\$ 68
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(4)	-	-	(1)
Total realized gain (loss) on investments and capital gains distributions	8	78	-	2
Net unrealized appreciation (depreciation) of investments	4	(33)	-	(2)
Net increase (decrease) in net assets resulting from operations	8	45	-	(1)
Changes from principal transactions:				
Premiums	5	7	-	1
Death benefits	(14)	(29)	-	-
Surrenders and withdrawals	(12)	(60)	-	(12)
Transfers between Divisions (including fixed account), net	133	(192)	-	(10)
Increase (decrease) in net assets derived from principal transactions	112	(274)	-	(21)
Total increase (decrease)	120	(229)	-	(22)
Net assets at December 31, 2007	359	400	-	46
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(2)	9	1	-
Total realized gain (loss) on investments and capital gains distributions	(26)	35	(15)	(3)
Net unrealized appreciation (depreciation) of investments	(104)	(56)	-	(8)
Net increase (decrease) in net assets resulting from operations	(132)	(12)	(14)	(11)
Changes from principal transactions:				
Premiums	4	1	-	-
Death benefits	(6)	-	-	-
Surrenders and withdrawals	(5)	(12)	-	-
Transfers between Divisions (including fixed account), net	(68)	(377)	28	(23)
Increase (decrease) in net assets derived from principal transactions	(75)	(388)	28	(23)
Total increase (decrease)	(207)	(400)	14	(34)
Net assets at December 31, 2008	\$ 152	\$ -	\$ 14	\$ 12

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING Neuberger Berman Partners Portfolio - Service Class	ING Neuberger Berman Regency Portfolio - Service Class	ING Oppenheimer Global Portfolio - Service Class	ING T. Rowe Price Growth Equity Portfolio - Service Class
Net assets at January 1, 2007	\$ 1,659	\$ 55	\$ 399	\$ -
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(20)	-	(2)	-
Total realized gain (loss) on investments and capital gains distributions	84	6	55	1
Net unrealized appreciation (depreciation) of investments	44	(5)	(34)	-
Net increase (decrease) in net assets resulting from operations	108	1	19	1
Changes from principal transactions:				
Premiums	25	2	13	-
Death benefits	(3)	-	-	-
Surrenders and withdrawals	(92)	(3)	(31)	-
Transfers between Divisions (including fixed account), net	(415)	17	162	11
Increase (decrease) in net assets derived from principal transactions	(485)	16	144	11
Total increase (decrease)	(377)	17	163	12
Net assets at December 31, 2007	1,282	72	562	12
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(14)	-	3	-
Total realized gain (loss) on investments and capital gains distributions	(33)	(7)	24	(11)
Net unrealized appreciation (depreciation) of investments	(538)	6	(241)	(3)
Net increase (decrease) in net assets resulting from operations	(585)	(1)	(214)	(14)
Changes from principal transactions:				
Premiums	1	5	23	-
Death benefits	(11)	-	-	-
Surrenders and withdrawals	(23)	-	(16)	(4)
Transfers between Divisions (including fixed account), net	(157)	(76)	(73)	10
Increase (decrease) in net assets derived from principal transactions	(190)	(71)	(66)	6
Total increase (decrease)	(775)	(72)	(280)	(8)
Net assets at December 31, 2008	\$ 507	\$ -	\$ 282	\$ 4

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING Templeton Foreign Equity Portfolio - Service Class	ING UBS U.S. Large Cap Equity Portfolio - Service Class	ING Van Kampen Comstock Portfolio - Service Class	ING Van Kampen Equity and Income Portfolio - Service Class
Net assets at January 1, 2007	\$ 41	\$ 156	\$ 732	\$ 232
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(2)	(1)	(1)	1
Total realized gain (loss) on investments and capital gains distributions	19	7	47	8
Net unrealized appreciation (depreciation) of investments	3	(6)	(80)	(8)
Net increase (decrease) in net assets resulting from operations	20	-	(34)	1
Changes from principal transactions:				
Premiums	2	2	9	7
Death benefits	(5)	-	(37)	-
Surrenders and withdrawals	(5)	(5)	(44)	(7)
Transfers between Divisions (including fixed account), net	266	(21)	86	202
Increase (decrease) in net assets derived from principal transactions	258	(24)	14	202
Total increase (decrease)	278	(24)	(20)	203
Net assets at December 31, 2007	319	132	712	435
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	2	-	6	11
Total realized gain (loss) on investments and capital gains distributions	(63)	(1)	(28)	(10)
Net unrealized appreciation (depreciation) of investments	(146)	(41)	(147)	(102)
Net increase (decrease) in net assets resulting from operations	(207)	(42)	(169)	(101)
Changes from principal transactions:				
Premiums	4	-	-	2
Death benefits	-	(28)	(61)	(6)
Surrenders and withdrawals	(24)	(1)	(30)	(22)
Transfers between Divisions (including fixed account), net	179	(9)	(216)	(57)
Increase (decrease) in net assets derived from principal transactions	159	(38)	(307)	(83)
Total increase (decrease)	(48)	(80)	(476)	(184)
Net assets at December 31, 2008	\$ 271	\$ 52	\$ 236	\$ 251

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING VP Growth and Income Portfolio - Class I	ING VP Growth and Income Portfolio - Class S	ING VP Global Equity Dividend Portfolio	ING BlackRock Global Science and Technology Portfolio - Class S
Net assets at January 1, 2007	\$ -	\$ -	\$ 672	\$ -
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	262	-	19	-
Total realized gain (loss) on investments and capital gains distributions	8	-	89	-
Net unrealized appreciation (depreciation) of investments	25	-	(95)	-
Net increase (decrease) in net assets resulting from operations	295	-	13	-
Changes from principal transactions:				
Premiums	6	-	20	-
Death benefits	(4)	-	-	-
Surrenders and withdrawals	(83)	-	(15)	-
Transfers between Divisions (including fixed account), net	22,788	4	(120)	-
Increase (decrease) in net assets derived from principal transactions	22,707	4	(115)	-
Total increase (decrease)	23,002	4	(102)	-
Net assets at December 31, 2007	23,002	4	570	-
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(25)	26	4	(1)
Total realized gain (loss) on investments and capital gains distributions	(695)	(51)	18	(3)
Net unrealized appreciation (depreciation) of investments	(7,114)	(773)	(49)	(19)
Net increase (decrease) in net assets resulting from operations	(7,834)	(798)	(27)	(23)
Changes from principal transactions:				
Premiums	38	1	-	-
Death benefits	(259)	(12)	-	-
Surrenders and withdrawals	(817)	(82)	(6)	-
Transfers between Divisions (including fixed account), net	(2,738)	2,840	(537)	63
Increase (decrease) in net assets derived from principal transactions	(3,776)	2,747	(543)	63
Total increase (decrease)	(11,610)	1,949	(570)	40
Net assets at December 31, 2008	\$ 11,392	\$ 1,953	\$ -	\$ 40

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING International Index Portfolio - Class S	ING Lehman Brothers U.S. Aggregate Bond Index® Portfolio - Class S	ING Russell™ Large Cap Index Portfolio - Class S	ING Russell™ Mid Cap Index Portfolio - Class S
Net assets at January 1, 2007	\$ -	\$ -	\$ -	\$ -
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	-	-	-	-
Total realized gain (loss) on investments and capital gains distributions	-	-	-	-
Net unrealized appreciation (depreciation) of investments	-	-	-	-
Net increase (decrease) in net assets resulting from operations	-	-	-	-
Changes from principal transactions:				
Premiums	-	-	-	-
Death benefits	-	-	-	-
Surrenders and withdrawals	-	-	-	-
Transfers between Divisions (including fixed account), net	-	-	-	-
Increase (decrease) in net assets derived from principal transactions	-	-	-	-
Total increase (decrease)	-	-	-	-
Net assets at December 31, 2007	-	-	-	-
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	-	-	-	-
Total realized gain (loss) on investments and capital gains distributions	(2)	(1)	-	-
Net unrealized appreciation (depreciation) of investments	-	1	(2)	(5)
Net increase (decrease) in net assets resulting from operations	(2)	-	(2)	(5)
Changes from principal transactions:				
Premiums	-	-	-	-
Death benefits	-	-	-	-
Surrenders and withdrawals	-	(22)	-	-
Transfers between Divisions (including fixed account), net	2	85	6	16
Increase (decrease) in net assets derived from principal transactions	2	63	6	16
Total increase (decrease)	-	63	4	11
Net assets at December 31, 2008	\$ -	\$ 63	\$ 4	\$ 11

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING Russell™ Small Cap Index Portfolio - Class S	ING VP Index Plus LargeCap Portfolio - Class S	ING VP Index Plus MidCap Portfolio - Class S	ING VP Index Plus SmallCap Portfolio - Class S
Net assets at January 1, 2007	\$ -	\$ 330	\$ 597	\$ 1,190
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	-	(1)	(8)	(16)
Total realized gain (loss) on investments and capital gains distributions	-	10	44	114
Net unrealized appreciation (depreciation) of investments	-	3	(22)	(179)
Net increase (decrease) in net assets resulting from operations	-	12	14	(81)
Changes from principal transactions:				
Premiums	-	6	14	52
Death benefits	-	-	-	(52)
Surrenders and withdrawals	-	(5)	(24)	(33)
Transfers between Divisions (including fixed account), net	-	(53)	96	(53)
Increase (decrease) in net assets derived from principal transactions	-	(52)	86	(86)
Total increase (decrease)	-	(40)	100	(167)
Net assets at December 31, 2007	-	290	697	1,023
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	-	1	(1)	(6)
Total realized gain (loss) on investments and capital gains distributions	(2)	15	1	(61)
Net unrealized appreciation (depreciation) of investments	(9)	(136)	(224)	(202)
Net increase (decrease) in net assets resulting from operations	(11)	(120)	(224)	(269)
Changes from principal transactions:				
Premiums	-	1	8	16
Death benefits	-	-	-	-
Surrenders and withdrawals	(1)	(5)	(56)	(20)
Transfers between Divisions (including fixed account), net	48	19	(117)	(282)
Increase (decrease) in net assets derived from principal transactions	47	15	(165)	(286)
Total increase (decrease)	36	(105)	(389)	(555)
Net assets at December 31, 2008	\$ 36	\$ 185	\$ 308	\$ 468

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING VP Small Company Portfolio - Class S	ING WisdomTree SM Global High- Yielding Equity Index Portfolio - Class S	ING VP Financial Services Portfolio - Class S	ING VP MidCap Opportunities Portfolio - Class S
Net assets at January 1, 2007	\$ -	\$ -	\$ 41	\$ -
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	-	-	1	-
Total realized gain (loss) on investments and capital gains distributions	-	-	13	-
Net unrealized appreciation (depreciation) of investments	-	-	(40)	-
Net increase (decrease) in net assets resulting from operations	-	-	(26)	-
Changes from principal transactions:				
Premiums	-	-	-	-
Death benefits	-	-	-	-
Surrenders and withdrawals	-	-	-	-
Transfers between Divisions (including fixed account), net	-	-	155	-
Increase (decrease) in net assets derived from principal transactions	-	-	155	-
Total increase (decrease)	-	-	129	-
Net assets at December 31, 2007	-	-	170	-
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	-	2	1	(319)
Total realized gain (loss) on investments and capital gains distributions	(1)	(2)	(63)	(478)
Net unrealized appreciation (depreciation) of investments	(8)	(26)	36	(10,595)
Net increase (decrease) in net assets resulting from operations	(9)	(26)	(26)	(11,392)
Changes from principal transactions:				
Premiums	-	1	-	576
Death benefits	-	-	-	(135)
Surrenders and withdrawals	-	(1)	-	(814)
Transfers between Divisions (including fixed account), net	39	90	(144)	31,462
Increase (decrease) in net assets derived from principal transactions	39	90	(144)	31,089
Total increase (decrease)	30	64	(170)	19,697
Net assets at December 31, 2008	<u>\$ 30</u>	<u>\$ 64</u>	<u>\$ -</u>	<u>\$ 19,697</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	ING VP SmallCap Opportunities Portfolio - Class S	ING VP Intermediate Bond Portfolio - Class S	Legg Mason Partners Variable International All Cap Opportunity Portfolio	Legg Mason Partners Variable Investors Portfolio
Net assets at January 1, 2007	\$ 79	\$ 946	\$ 10,469	\$ -
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	(1)	28	(62)	30
Total realized gain (loss) on investments and capital gains distributions	6	3	4,743	699
Net unrealized appreciation (depreciation) of investments	2	9	(4,191)	(1,419)
Net increase (decrease) in net assets resulting from operations	7	40	490	(690)
Changes from principal transactions:				
Premiums	1	17	24	24
Death benefits	-	(45)	(111)	(546)
Surrenders and withdrawals	(1)	(78)	(395)	(741)
Transfers between Divisions (including fixed account), net	(21)	347	(1,862)	27,244
Increase (decrease) in net assets derived from principal transactions	(21)	241	(2,344)	25,981
Total increase (decrease)	(14)	281	(1,854)	25,291
Net assets at December 31, 2007	65	1,227	8,615	25,291
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	-	54	24	(55)
Total realized gain (loss) on investments and capital gains distributions	8	(11)	(2,875)	(649)
Net unrealized appreciation (depreciation) of investments	(16)	(198)	(534)	(7,598)
Net increase (decrease) in net assets resulting from operations	(8)	(155)	(3,385)	(8,302)
Changes from principal transactions:				
Premiums	1	19	25	42
Death benefits	(33)	-	(117)	(572)
Surrenders and withdrawals	-	(160)	(197)	(803)
Transfers between Divisions (including fixed account), net	(15)	265	(1,015)	(2,648)
Increase (decrease) in net assets derived from principal transactions	(47)	124	(1,304)	(3,981)
Total increase (decrease)	(55)	(31)	(4,689)	(12,283)
Net assets at December 31, 2008	\$ 10	\$ 1,196	\$ 3,926	\$ 13,008

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	Legg Mason Partners Variable Lifestyle Allocation 50%	Legg Mason Partners Variable Lifestyle Allocation 70%	Legg Mason Partners Variable Lifestyle Allocation 85%	Legg Mason Partners Variable High Income Portfolio
Net assets at January 1, 2007	\$ 26,860	\$ 21,955	\$ 14,226	\$ 8,391
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	466	206	(15)	489
Total realized gain (loss) on investments and capital gains distributions	486	(288)	640	253
Net unrealized appreciation (depreciation) of investments	(484)	616	(308)	(791)
Net increase (decrease) in net assets resulting from operations	468	534	317	(49)
Changes from principal transactions:				
Premiums	38	70	49	23
Death benefits	(782)	(83)	(77)	(489)
Surrenders and withdrawals	(1,364)	(1,018)	(694)	(310)
Transfers between Divisions (including fixed account), net	(2,750)	(3,116)	(2,383)	(938)
Increase (decrease) in net assets derived from principal transactions	(4,858)	(4,147)	(3,105)	(1,714)
Total increase (decrease)	(4,390)	(3,613)	(2,788)	(1,763)
Net assets at December 31, 2007	22,470	18,342	11,438	6,628
Increase (decrease) in net assets				
Operations:				
Net investment income (loss)	297	91	5	435
Total realized gain (loss) on investments and capital gains distributions	55	(592)	(519)	(91)
Net unrealized appreciation (depreciation) of investments	(5,687)	(4,791)	(3,382)	(2,010)
Net increase (decrease) in net assets resulting from operations	(5,335)	(5,292)	(3,896)	(1,666)
Changes from principal transactions:				
Premiums	79	47	33	37
Death benefits	(180)	(153)	(108)	(426)
Surrenders and withdrawals	(977)	(497)	(246)	(209)
Transfers between Divisions (including fixed account), net	(4,028)	(3,255)	(1,472)	(1,026)
Increase (decrease) in net assets derived from principal transactions	(5,106)	(3,858)	(1,793)	(1,624)
Total increase (decrease)	(10,441)	(9,150)	(5,689)	(3,290)
Net assets at December 31, 2008	\$ 12,029	\$ 9,192	\$ 5,749	\$ 3,338

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Statements of Changes in Net Assets
For the years ended December 31, 2008 and 2007
(Dollars in thousands)

	Legg Mason Partners Variable Money Market Portfolio
Net assets at January 1, 2007	\$ 3,522
Increase (decrease) in net assets	
Operations:	
Net investment income (loss)	34
Total realized gain (loss) on investments and capital gains distributions	-
Net unrealized appreciation (depreciation) of investments	-
	<hr/>
Net increase (decrease) in net assets resulting from operations	34
Changes from principal transactions:	
Premiums	3
Death benefits	(34)
Surrenders and withdrawals	(32,265)
Transfers between Divisions (including fixed account), net	32,119
	<hr/>
Increase (decrease) in net assets derived from principal transactions	(177)
Total increase (decrease)	(143)
	<hr/>
Net assets at December 31, 2007	3,379
Increase (decrease) in net assets	
Operations:	
Net investment income (loss)	32
Total realized gain (loss) on investments and capital gains distributions	-
Net unrealized appreciation (depreciation) of investments	-
	<hr/>
Net increase (decrease) in net assets resulting from operations	32
Changes from principal transactions:	
Premiums	2
Death benefits	(303)
Surrenders and withdrawals	(1,202)
Transfers between Divisions (including fixed account), net	1,426
	<hr/>
Increase (decrease) in net assets derived from principal transactions	(77)
Total increase (decrease)	(45)
	<hr/>
Net assets at December 31, 2008	<u>\$ 3,334</u>

The accompanying notes are an integral part of these financial statements.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

1. Organization

ING USA Annuity and Life Insurance Company Separate Account EQ (the “Account”) was established by ING USA Annuity and Life Insurance Company (“ING USA” or the “Company”) to support the operations of variable annuity contracts (“Contracts”). The Company is an indirect wholly owned subsidiary of ING America Insurance Holdings, Inc. (“ING AIH”), an insurance holding company domiciled in the State of Delaware. ING AIH is an indirect wholly owned subsidiary of ING Groep, N.V., a global financial services holding company based in The Netherlands.

The Account is registered as a unit investment trust with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. ING USA provides for variable accumulation and benefits under the Contracts by crediting annuity considerations to one or more divisions within the Account, as directed by the contractowners. The portion of the Account’s assets applicable to Contracts will not be charged with liabilities arising out of any other business ING USA may conduct, but obligations of the Account, including the promise to make benefit payments, are obligations of ING USA. The assets and liabilities of the Account are clearly identified and distinguished from the other assets and liabilities of ING USA.

At December 31, 2008, the Account had, under the Equi-Select Variable Annuity product and the PrimElite product, 85 investment divisions (the “Divisions”), 11 of which invest in an independently managed mutual fund Portfolio and 74 of which invest in a mutual fund Portfolio managed by an affiliate, either Directed Services LLC, formerly Directed Services, Inc., (“DSL”) or ING Investments, LLC (“IIL”). The assets in each Division are invested in shares of a designated Series (“Fund”) of various investment trusts (the “Trusts”). Investment Divisions with asset balances at December 31, 2008 and related Trusts are as follows:

BlackRock Variable Series Funds, Inc.:	ING Investors Trust (continued):
BlackRock Global Allocation V.I. Fund - Class III**	ING BlackRock Large Cap Value Portfolio - Service Class
Columbia Variable Insurance Trust:	ING Evergreen Health Sciences Portfolio - Service Class
Columbia Small Cap Value Fund, Variable Series - Class B	ING FMR SM Diversified Mid Cap Portfolio - Service Class
Fidelity® Variable Insurance Products:	ING Franklin Income Portfolio - Service Class
Fidelity® VIP Equity-Income Portfolio - Service Class 2	ING Franklin Mutual Shares Portfolio - Service Class*
Fidelity® Variable Insurance Products II:	ING Franklin Templeton Founding Strategy Portfolio - Service Class*
Fidelity® VIP Contrafund® Portfolio - Service Class 2	ING Global Real Estate Portfolio - Service Class
ING Investors Trust:	ING Global Resources Portfolio - Service Class
ING AllianceBernstein Mid Cap Growth Portfolio - Service Class	ING International Growth Opportunities Portfolio - Service Class
ING American Funds Asset Allocation Portfolio**	ING Janus Contrarian Portfolio - Service Class
ING American Funds Bond Portfolio**	ING JPMorgan Emerging Markets Equity Portfolio - Service Class
ING American Funds Growth Portfolio	ING JPMorgan Small Cap Core Equity Portfolio - Service Class
ING American Funds Growth-Income Portfolio	
ING American Funds International Portfolio	
ING BlackRock Large Cap Growth Portfolio - Service Class	

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

ING Investors Trust (continued):

ING JPMorgan Value Opportunities Portfolio - Service Class
 ING Julius Baer Foreign Portfolio - Service Class
 ING Legg Mason Value Portfolio - Service Class
 ING LifeStyle Aggressive Growth Portfolio - Service Class
 ING LifeStyle Growth Portfolio - Service Class
 ING LifeStyle Moderate Growth Portfolio - Service Class
 ING LifeStyle Moderate Portfolio - Service Class
 ING Limited Maturity Bond Portfolio - Service Class
 ING Liquid Assets Portfolio - Service Class
 ING Lord Abbett Affiliated Portfolio - Service Class
 ING Marsico Growth Portfolio - Service Class
 ING Marsico International Opportunities Portfolio - Service Class
 ING MFS Total Return Portfolio - Service Class
 ING MFS Utilities Portfolio - Service Class
 ING Oppenheimer Main Street Portfolio® - Service Class
 ING PIMCO Core Bond Portfolio - Service Class
 ING PIMCO High Yield Portfolio - Service Class
 ING Pioneer Fund Portfolio - Service Class
 ING Pioneer Mid Cap Value Portfolio - Service Class
 ING T. Rowe Price Capital Appreciation Portfolio - Service Class
 ING T. Rowe Price Equity Income Portfolio - Service Class
 ING Templeton Global Growth Portfolio - Service Class
 ING Van Kampen Capital Growth Portfolio - Service Class
 ING Van Kampen Global Franchise Portfolio - Service Class
 ING Van Kampen Growth and Income Portfolio - Service Class
 ING Van Kampen Real Estate Portfolio - Service Class
 ING VP Index Plus International Equity Portfolio - Service Class
 ING Wells Fargo Small Cap Disciplined Portfolio - Service Class

ING Partners, Inc.:

ING Baron Small Cap Growth Portfolio - Service Class
 ING Columbia Small Cap Value II Portfolio - Service Class
 ING Davis New York Venture Portfolio - Service Class
 ING JPMorgan Mid Cap Value Portfolio - Service Class**
 ING Legg Mason Partners Aggressive Growth Portfolio - Service Class

ING Partners, Inc. (continued):

ING Neuberger Berman Partners Portfolio - Service Class
 ING Oppenheimer Global Portfolio - Service Class
 ING T. Rowe Price Growth Equity Portfolio - Service Class*
 ING Templeton Foreign Equity Portfolio - Service Class
 ING UBS U.S. Large Cap Equity Portfolio - Service Class
 ING Van Kampen Comstock Portfolio - Service Class
 ING Van Kampen Equity and Income Portfolio - Service Class

ING Variable Funds:

ING VP Growth and Income Portfolio - Class I*
 ING VP Growth and Income Portfolio - Class S*

ING Variable Portfolios, Inc.:

ING BlackRock Global Science and Technology Portfolio - Class S**
 ING Lehman Brothers U.S. Aggregate Bond Index® Portfolio - Class S**
 ING Russell™ Large Cap Index Portfolio - Class S**
 ING Russell™ Mid Cap Index Portfolio - Class S**
 ING Russell™ Small Cap Index Portfolio - Class S**
 ING VP Index Plus LargeCap Portfolio - Class S
 ING VP Index Plus MidCap Portfolio - Class S
 ING VP Index Plus SmallCap Portfolio - Class S
 ING VP Small Company Portfolio - Class S**
 ING Wisdom TreeSM Global High-Yielding Equity Index Portfolio - Class S**

ING Variable Products Trust:

ING VP MidCap Opportunities Portfolio - Class S**
 ING VP SmallCap Opportunities Portfolio - Class S

ING VP Intermediate Bond Portfolio:
 ING VP Intermediate Bond Portfolio - Class S

Legg Mason Partners Variable Equity Trust:
 Legg Mason Partners Variable International All Cap Opportunity Portfolio
 Legg Mason Partners Variable Investors Portfolio*
 Legg Mason Partners Variable Lifestyle Allocation 50%
 Legg Mason Partners Variable Lifestyle Allocation 70%
 Legg Mason Partners Variable Lifestyle Allocation 85%

Legg Mason Partners Variable Income Trust:
 Legg Mason Partners Variable High Income Portfolio
 Legg Mason Partners Variable Money Market Portfolio

* Division was added in 2007

** Division was added in 2008

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

The names of certain Divisions were changed during 2008. The following is a summary of current and former names for those Divisions:

<u>Current Name</u>	<u>Former Name</u>
ING Investors Trust: ING Mid Cap Growth Portfolio - Service Class	ING Investors Trust: ING FMR SM Large Cap Growth Portfolio - Service Class
ING Van Kampen Large Cap Growth Portfolio - Service Class	ING FMR SM Mid Cap Growth Portfolio - Service Class

During 2008, the following Divisions were closed to contractowners:

ING Investors Trust:
 ING Capital Guardian U.S. Equities Portfolio - Service Class
 ING EquitiesPlus Portfolio - Service Class
 ING Evergreen Omega Portfolio - Service Class
 ING Global Technology Portfolio - Service Class
 ING Mid Cap Growth Portfolio - Service Class
 ING Van Kampen Large Cap Growth Portfolio - Service Class
 ING Wells Fargo Disciplined Value Portfolio - Service Class
 ING Partners, Inc.:
 ING JPMorgan International Portfolio - Service Class
 ING Neuberger Berman Regency Portfolio - Service Class
 ING Variable Insurance Trust:
 ING VP Global Equity Dividend Portfolio
 ING Variable Products Trust:
 ING VP Financial Services Portfolio - Class S

The following Division was available to contractowners during 2008 but had no net assets as of December 31, 2008:

ING Variable Portfolios, Inc.:
 ING International Index Portfolio - Class S

The following Divisions were available to contractowners during 2008 but had no activity as of December 31, 2008:

ING Investors Trust:
 ING Focus 5 Portfolio - Service Class
 ING Multi-Manager International Small Cap Portfolio - Class S

2. Significant Accounting Policies

The following is a summary of the significant accounting policies of the Account:

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

accompanying notes. Actual results could differ from reported results using those estimates.

Investments

Investments are made in shares of a Fund and are recorded at fair value, determined by the net asset value per share of the respective Fund. Investment transactions in each Fund are recorded on the trade date. Distributions of net investment income and capital gains from each Fund are recognized on the ex-distribution date. Realized gains and losses on redemptions of the shares of the Fund are determined on the specific identification basis. The difference between cost and current market value of investments owned on the day of measurement is recorded as unrealized appreciation or depreciation of investments.

Federal Income Taxes

Operations of the Account form a part of, and are taxed with, the total operations of ING USA, which is taxed as a life insurance company under the Internal Revenue Code. Earnings and realized capital gains of the Account attributable to the contractowners are excluded in the determination of the federal income tax liability of ING USA.

Contractowner Reserves

Prior to the annuity date, the Contracts are redeemable for the net cash surrender value of the Contracts. The annuity reserves of the Account are represented by net assets on the Statements of Assets and Liabilities and are equal to the aggregate account values of the contractowners invested in the Account Divisions. To the extent that benefits to be paid to the contractowners exceed their account values, ING USA will contribute additional funds to the benefit proceeds. Conversely, if amounts allocated exceed amounts required, transfers may be made to ING USA.

All Contracts in the Account are currently in the accumulation period.

Changes from Principal Transactions

Included in Changes from Principal Transactions on the Statements of Changes in Net Assets are items which relate to contractowner activity, including deposits, surrenders and withdrawals, benefits, and contract charges. Also included are transfers between the fixed account and the Divisions, transfers between Divisions, and transfers to (from) ING USA related to gains and losses resulting from actual mortality experience (the full responsibility for which is assumed by ING USA). Any net unsettled transactions as of the reporting date are included in Due to related parties on the Statements of Assets and Liabilities.

3. Recently Adopted Accounting Standards

Fair Value Measurements

In September 2006, the Financial Accounting Standards Board (“FASB”) issued Statement of Financial Accounting Standards (“FAS”) No. 157, “Fair Value Measurements” (“FAS No. 157”). FAS No. 157 provides guidance for using fair value to measure assets and liabilities whenever other standards require (or permit) assets or liabilities to be measured at fair value. FAS No. 157 does not expand the use of fair value to any new circumstances.

Under FAS No. 157, the FASB clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the asset or liability. In support of this principle, FAS No. 157 establishes a fair value hierarchy that prioritizes the information used to develop such assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. FAS No. 157 also requires separate disclosure of fair value measurements by level within the hierarchy and expanded disclosure of the effect on earnings for items measured using unobservable data.

The adoption of FAS No. 157 on January 1, 2008 did not have an impact on the Account’s net assets or results of operations. New disclosures are included in the Financial Instruments footnote.

4. Financial Instruments

The Account invests assets in shares of open-end mutual funds, which process orders to purchase and redeem shares on a daily basis at the fund's next computed net asset values (“NAV”). The fair value of the Account’s assets is based on the NAVs of mutual funds, which are obtained from the custodian and reflect the fair values of the mutual fund investments. The NAV is calculated daily upon close of the New York Stock Exchange and is based on the fair values of the underlying securities.

The Account’s financial assets are recorded at fair value on the Statements of Assets and Liabilities and are categorized as Level 1 as of December 31, 2008, based on the priority of the inputs to the valuation technique below. The Account had no financial liabilities as of December 31, 2008.

The FAS No. 157 fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure fair value fall within different levels of the hierarchy, the category level is based on the lowest priority level input that is significant to the fair value measurement of the instrument.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in an active market.
- Level 2 - Quoted prices in markets that are not active or inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:
 - a) Quoted prices for similar assets or liabilities in active markets;
 - b) Quoted prices for identical or similar assets or liabilities in non-active markets;
 - c) Inputs other than quoted market prices that are observable; and
 - d) Inputs that are derived principally from or corroborated by observable market data through correlation or other means.
- Level 3 - Prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These valuations, whether derived internally or obtained from a third party, use critical assumptions that are not widely available to estimate market participant expectations in valuing the asset or liability.

5. Charges and Fees

Under the terms of the Contracts, certain charges are allocated to the Contracts to cover ING USA's expenses in connection with the issuance and administration of the Contracts. Following is a summary of these charges:

Mortality and Expense Risk Charges

ING USA assumes mortality and expense risks related to the operations of the Account and, in accordance with the terms of the Contracts, deducts a daily charge from the assets of the Account. Daily charges are deducted at annual rates of 1.25% of the average daily net asset value of each Division of the Account to cover these risks, as specified in the Contracts.

Asset Based Administrative Charges

A daily charge to cover administrative expenses of the Account is deducted at an annual rate of 0.15% of the assets attributable to the Contracts.

Contract Maintenance Charges

An annual Contract maintenance fee of \$30 may be deducted from the accumulation value of Contracts to cover ongoing administrative expenses, as specified in the Contracts.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

Contingent Deferred Sales Charges

For certain Contracts, a contingent deferred sales charge (“Surrender Charge”) is imposed as a percentage that ranges up to 8.00% of each premium payment if the Contract is surrendered or an excess partial withdrawal is taken, as specified in the Contract.

Transfer Charges

A transfer charge of up to \$25 may be imposed on each transfer between Divisions in excess of twelve in any one calendar year.

Premium Taxes

For certain Contracts, premium taxes are deducted, where applicable, from the accumulation value of each Contract. The amount and timing of the deduction depends on the contractowner’s state of residence and currently ranges up to 3.50% of premiums.

6. Related Party Transactions

During the year ended December 31, 2008, management fees were paid indirectly to IIL, an affiliate of the Company, in its capacity as investment adviser to the ING Variable Funds, ING Variable Insurance Trust, ING Variable Portfolios, Inc., ING Variable Products Trust, and ING VP Intermediate Bond Portfolio. The Trusts' advisory agreements provide for fees at annual rates up to 0.95% of the average net assets of each respective Fund of the Trust.

Management fees were also paid indirectly to DSL, an affiliate of the Company, in its capacity as investment manager to ING Partners, Inc. and ING Investors Trust. The Trusts’ advisory agreement provided for a fee at an annual rate up to 1.25% of the average net assets of each respective Fund.

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

7. Purchases and Sales of Investment Securities

The aggregate cost of purchases and proceeds from sales of investments follow:

	Year ended December 31			
	2008		2007	
	Purchases	Sales	Purchases	Sales
	<i>(Dollars in thousands)</i>			
BlackRock Variable Series Funds, Inc.:				
BlackRock Global Allocation V.I. Fund - Class III	\$ 500	\$ 34	\$ -	\$ -
Columbia Funds Variable Insurance Trust:				
Columbia Small Cap Value Fund, Variable Series - Class B	52	162	93	237
Fidelity® Variable Insurance Products:				
Fidelity® VIP Equity-Income Portfolio - Service Class 2	18	198	296	188
Fidelity® Variable Insurance Products II:				
Fidelity® VIP Contrafund® Portfolio - Service Class 2	627	1,219	1,708	491
ING Investors Trust:				
ING AllianceBernstein Mid Cap Growth Portfolio - Service Class	4,066	5,240	2,149	9,635
ING American Funds Asset Allocation Portfolio	54	-	-	-
ING American Funds Bond Portfolio	280	4	-	-
ING American Funds Growth Portfolio	811	1,605	1,831	1,029
ING American Funds Growth-Income Portfolio	442	774	1,241	909
ING American Funds International Portfolio	992	1,847	2,082	1,095
ING BlackRock Large Cap Growth Portfolio - Service Class	118	189	166	408
ING BlackRock Large Cap Value Portfolio - Service Class	4	80	71	119
ING Capital Guardian U.S. Equities Portfolio - Service Class	710	3,885	595	2,547
ING EquitiesPlus Portfolio - Service Class	274	1,844	247	712
ING Evergreen Health Sciences Portfolio - Service Class	530	310	96	166
ING Evergreen Omega Portfolio - Service Class	-	2	-	-
ING FMR SM Diversified Mid Cap Portfolio - Service Class	1,345	3,642	15,626	3,886
ING Franklin Income Portfolio - Service Class	644	630	895	188
ING Franklin Mutual Shares Portfolio - Service Class	80	194	424	82
ING Franklin Templeton Founding Strategy Portfolio - Service Class	137	246	542	13
ING Global Real Estate Portfolio - Service Class	102	336	847	284
ING Global Resources Portfolio - Service Class	2,431	1,774	1,399	1,088
ING Global Technology Portfolio - Service Class	28	89	78	68
ING International Growth Opportunities Portfolio - Service Class	2,986	2,596	2,772	3,979
ING Janus Contrarian Portfolio - Service Class	810	1,251	4,433	752
ING JPMorgan Emerging Markets Equity Portfolio - Service Class	1,274	1,731	1,393	1,376
ING JPMorgan Small Cap Core Equity Portfolio - Service Class	69	173	270	280
ING JPMorgan Value Opportunities Portfolio - Service Class	9	29	135	219
ING Julius Baer Foreign Portfolio - Service Class	526	753	1,314	737
ING Legg Mason Value Portfolio - Service Class	108	114	152	245
ING LifeStyle Aggressive Growth Portfolio - Service Class	502	825	2,018	666
ING LifeStyle Growth Portfolio - Service Class	1,244	1,839	3,405	1,394
ING LifeStyle Moderate Growth Portfolio - Service Class	858	1,679	3,024	1,497
ING LifeStyle Moderate Portfolio - Service Class	1,053	1,496	2,482	1,687
ING Limited Maturity Bond Portfolio - Service Class	513	2,138	194	2,389

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Year ended December 31			
	2008		2007	
	Purchases	Sales	Purchases	Sales
	<i>(Dollars in thousands)</i>			
ING Investors Trust (continued):				
ING Liquid Assets Portfolio - Service Class	\$ 15,238	\$ 9,341	\$ 7,038	\$ 7,279
ING Lord Abbett Affiliated Portfolio - Service Class	141	297	110	602
ING Marsico Growth Portfolio - Service Class	201	5,131	179	9,828
ING Marsico International Opportunities Portfolio - Service Class	240	283	347	126
ING MFS Total Return Portfolio - Service Class	10,424	18,414	7,794	25,539
ING MFS Utilities Portfolio - Service Class	863	695	1,546	599
ING Mid Cap Growth Portfolio - Service Class	-	37,394	10	13,686
ING Oppenheimer Main Street Portfolio® - Service Class	1,446	11,832	828	21,932
ING PIMCO Core Bond Portfolio - Service Class	2,589	2,210	1,141	2,014
ING PIMCO High Yield Portfolio - Service Class	352	1,165	1,013	1,541
ING Pioneer Fund Portfolio - Service Class	13	21	53	71
ING Pioneer Mid Cap Value Portfolio - Service Class	2,325	421	654	426
ING T. Rowe Price Capital Appreciation Portfolio - Service Class	3,978	6,552	5,605	7,532
ING T. Rowe Price Equity Income Portfolio - Service Class	876	1,563	1,044	2,407
ING Templeton Global Growth Portfolio - Service Class	264	836	332	1,312
ING Van Kampen Capital Growth Portfolio - Service Class	92	35	15	35
ING Van Kampen Global Franchise Portfolio - Service Class	176	252	380	309
ING Van Kampen Growth and Income Portfolio - Service Class	2,776	5,799	2,944	9,558
ING Van Kampen Large Cap Growth Portfolio - Service Class	-	13	8	-
ING Van Kampen Real Estate Portfolio - Service Class	999	2,382	1,930	6,176
ING VP Index Plus International Equity Portfolio - Service Class	28	46	142	241
ING Wells Fargo Disciplined Value Portfolio - Service Class	62	2,561	102	731
ING Wells Fargo Small Cap Disciplined Portfolio - Service Class	11	30	61	58
ING Partners, Inc.:				
ING Baron Small Cap Growth Portfolio - Service Class	215	257	279	205
ING Columbia Small Cap Value II Portfolio - Service Class	372	244	325	164
ING Davis New York Venture Portfolio - Service Class	96	171	209	100
ING JPMorgan International Portfolio - Service Class	262	435	42	316
ING JPMorgan Mid Cap Value Portfolio - Service Class	67	33	-	-
ING Legg Mason Partners Aggressive Growth Portfolio - Service Class	1	24	13	35
ING Neuberger Berman Partners Portfolio - Service Class	2	207	95	527
ING Neuberger Berman Regency Portfolio - Service Class	45	116	90	73
ING Oppenheimer Global Portfolio - Service Class	159	186	329	165
ING T. Rowe Price Growth Equity Portfolio - Service Class	36	28	37	25
ING Templeton Foreign Equity Portfolio - Service Class	612	452	626	367
ING UBS U.S. Large Cap Equity Portfolio - Service Class	1	40	13	38
ING Van Kampen Comstock Portfolio - Service Class	73	355	365	329
ING Van Kampen Equity and Income Portfolio - Service Class	84	135	245	37
ING Variable Funds:				
ING VP Growth and Income Portfolio - Class I	275	4,077	23,669	688
ING VP Growth and Income Portfolio - Class S	2,970	195	4	-

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Year ended December 31			
	2008		2007	
	Purchases	Sales	Purchases	Sales
	<i>(Dollars in thousands)</i>			
ING Variable Insurance Trust:				
ING VP Global Equity Dividend Portfolio	\$ 82	\$ 546	\$ 98	\$ 142
ING Variable Portfolios, Inc.:				
ING BlackRock Global Science and Technology Portfolio - Class S	78	16	-	-
ING International Index Portfolio - Class S	10	8	-	-
ING Lehman Brothers U.S. Aggregate Bond Index® Portfolio - Class S	131	68	-	-
ING Russell™ Large Cap Index Portfolio - Class S	6	-	-	-
ING Russell™ Mid Cap Index Portfolio - Class S	16	-	-	-
ING Russell™ Small Cap Index Portfolio - Class S	56	9	-	-
ING VP Index Plus LargeCap Portfolio - Class S	90	54	29	82
ING VP Index Plus MidCap Portfolio - Class S	176	260	337	211
ING VP Index Plus SmallCap Portfolio - Class S	122	360	263	247
ING VP Small Company Portfolio - Class S	51	12	-	-
ING WisdomTree SM Global High-Yielding Equity Index Portfolio - Class S	106	14	-	-
ING Variable Products Trust:				
ING VP Financial Services Portfolio - Class S	52	189	191	25
ING VP MidCap Opportunities Portfolio - Class S	34,546	3,755	-	-
ING VP SmallCap Opportunities Portfolio - Class S	3	48	12	34
ING VP Intermediate Bond Portfolio:				
ING VP Intermediate Bond Portfolio - Class S	1,081	865	770	501
Legg Mason Partners Variable Equity Trust:				
Legg Mason Partners Variable International All Cap Opportunity Portfolio	152	1,433	4,492	2,591
Legg Mason Partners Variable Investors Portfolio	884	4,354	31,000	4,283
Legg Mason Partners Variable Lifestyle Allocation 50%	1,358	5,577	1,043	5,227
Legg Mason Partners Variable Lifestyle Allocation 70%	333	4,089	843	4,464
Legg Mason Partners Variable Lifestyle Allocation 85%	202	1,931	1,062	3,323
Legg Mason Partners Variable Income Trust:				
Legg Mason Partners Variable High Income Portfolio	558	1,749	664	1,888
Legg Mason Partners Variable Money Market Portfolio	1,352	1,397	1,372	1,516

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

8. Changes in Units

The net changes in units outstanding follow:

	Year ended December 31					
	2008			2007		
	Units Issued	Units Redeemed	Net Increase (Decrease)	Units Issued	Units Redeemed	Net Increase (Decrease)
BlackRock Variable Series Funds, Inc.:						
BlackRock Global Allocation V.I. Fund - Class III	55,383	5,528	49,855	-	-	-
Columbia Funds Variable Insurance Trust:						
Columbia Small Cap Value Fund, Variable Series - Class B	220	14,072	(13,852)	1,540	16,929	(15,389)
Fidelity® Variable Insurance Products:						
Fidelity® VIP Equity-Income Portfolio - Service Class 2	2,472	18,261	(15,789)	18,616	13,763	4,853
Fidelity® Variable Insurance Products II:						
Fidelity® VIP Contrafund® Portfolio - Service Class 2	62,605	117,089	(54,484)	68,176	32,973	35,203
ING Investors Trust:						
ING AllianceBernstein Mid Cap Growth Portfolio - Service Class	49,217	312,180	(262,963)	5,812	420,174	(414,362)
ING American Funds Asset Allocation Portfolio	5,420	5	5,415	-	-	-
ING American Funds Bond Portfolio	31,800	1,876	29,924	-	-	-
ING American Funds Growth Portfolio	64,858	150,390	(85,532)	129,383	72,880	56,503
ING American Funds Growth-Income Portfolio	39,936	77,863	(37,927)	90,040	68,982	21,058
ING American Funds International Portfolio	71,335	157,948	(86,613)	124,715	67,878	56,837
ING BlackRock Large Cap Growth Portfolio - Service Class	11,036	20,096	(9,060)	12,989	30,858	(17,869)
ING BlackRock Large Cap Value Portfolio - Service Class	-	6,843	(6,843)	4,957	8,524	(3,567)
ING Capital Guardian U.S. Equities Portfolio - Service Class	9,518	369,503	(359,985)	6,186	194,083	(187,897)
ING EquitiesPlus Portfolio - Service Class	2,920	196,166	(193,246)	3,405	61,192	(57,787)
ING Evergreen Health Sciences Portfolio - Service Class	44,032	28,039	15,993	6,891	12,498	(5,607)
ING Evergreen Omega Portfolio - Service Class	126	262	(136)	-	-	-
ING FMR SM Diversified Mid Cap Portfolio - Service Class	96,259	341,136	(244,877)	1,084,243	251,467	832,776
ING Franklin Income Portfolio - Service Class	69,469	68,948	521	78,839	16,232	62,607
ING Franklin Mutual Shares Portfolio - Service Class	8,391	19,892	(11,501)	35,184	6,633	28,551
ING Franklin Templeton Founding Strategy Portfolio - Service Class	16,976	28,466	(11,490)	55,392	1,169	54,223
ING Global Real Estate Portfolio - Service Class	18,072	37,981	(19,909)	59,548	20,044	39,504
ING Global Resources Portfolio - Service Class	46,971	53,036	(6,065)	24,631	26,860	(2,229)
ING Global Technology Portfolio - Service Class	2,006	7,261	(5,255)	5,931	5,258	673

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Year ended December 31					
	2008			2007		
	Units Issued	Units Redeemed	Net Increase (Decrease)	Units Issued	Units Redeemed	Net Increase (Decrease)
ING Variable Portfolios, Inc.:						
ING BlackRock Global Science and Technology Portfolio - Class S	7,745	1,810	5,935	-	-	-
ING International Index Portfolio - Class S	1,243	1,243	-	-	-	-
ING Lehman Brothers U.S. Aggregate Bond Index® Portfolio - Class S	16,920	10,748	6,172	-	-	-
ING Russell™ Large Cap Index Portfolio - Class S	649	1	648	-	-	-
ING Russell™ Mid Cap Index Portfolio - Class S	1,857	28	1,829	-	-	-
ING Russell™ Small Cap Index Portfolio - Class S	6,242	1,074	5,168	-	-	-
ING VP Index Plus LargeCap Portfolio - Class S	5,421	4,672	749	2,187	6,143	(3,956)
ING VP Index Plus MidCap Portfolio - Class S	8,792	24,041	(15,249)	21,495	15,472	6,023
ING VP Index Plus SmallCap Portfolio - Class S	11,836	37,987	(26,151)	12,011	18,308	(6,297)
ING VP Small Company Portfolio - Class S	7,674	3,487	4,187	-	-	-
ING WisdomTree SM Global High-Yielding Equity Index Portfolio - Class S	12,346	1,770	10,576	-	-	-
ING Variable Products Trust:						
ING VP Financial Services Portfolio - Class S	4,116	18,889	(14,773)	13,441	1,722	11,719
ING VP MidCap Opportunities Portfolio - Class S	3,472,022	475,271	2,996,751	-	-	-
ING VP SmallCap Opportunities Portfolio - Class S	59	3,490	(3,431)	906	2,324	(1,418)
ING VP Intermediate Bond Portfolio:						
ING VP Intermediate Bond Portfolio - Class S	100,983	91,528	9,455	69,335	46,896	22,439
Legg Mason Partners Variable Equity Trust:						
Legg Mason Partners Variable International All Cap Opportunity Portfolio	11,109	96,644	(85,535)	6,135	134,274	(128,139)
Legg Mason Partners Variable Investors Portfolio	24,075	514,659	(490,584)	3,004,441	403,939	2,600,502
Legg Mason Partners Variable Lifestyle Allocation 50%	27,079	377,971	(350,892)	431	300,825	(300,394)
Legg Mason Partners Variable Lifestyle Allocation 70%	10,465	310,176	(299,711)	1,041	278,977	(277,936)
Legg Mason Partners Variable Lifestyle Allocation 85%	3,143	139,064	(135,921)	1,137	197,447	(196,310)
Legg Mason Partners Variable Income Trust:						
Legg Mason Partners Variable High Income Portfolio	9,701	115,637	(105,936)	3,840	102,596	(98,756)
Legg Mason Partners Variable Money Market Portfolio	160,660	166,818	(6,158)	92,220	112,139	(19,919)

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

9. Unit Summary

Division/Contract	Units	Unit Value	Extended Value
BlackRock Global Allocation V.I. Fund - Class III			
Contracts in accumulation period:			
Equi-Select Separate Account A	49,854.872	\$ 7.99	\$ 398,340
Columbia Small Cap Value Fund, Variable Series - Class B			
Contracts in accumulation period:			
Equi-Select Separate Account A	28,159.864	\$ 9.10	\$ 256,255
Fidelity® VIP Equity-Income Portfolio - Service Class 2			
Contracts in accumulation period:			
Equi-Select Separate Account A	18,001.286	\$ 7.33	\$ 131,949
Fidelity® VIP Contrafund® Portfolio - Service Class 2			
Contracts in accumulation period:			
Equi-Select Separate Account A	136,719.207	\$ 8.59	\$ 1,174,418
ING AllianceBernstein Mid Cap Growth Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	977,439.461	\$ 11.97	\$ 11,699,950
ING American Funds Asset Allocation Portfolio			
Contracts in accumulation period:			
Equi-Select Separate Account A	5,415.403	\$ 7.19	\$ 38,937
ING American Funds Bond Portfolio			
Contracts in accumulation period:			
Equi-Select Separate Account A	29,924.367	\$ 9.01	\$ 269,619
ING American Funds Growth Portfolio			
Contracts in accumulation period:			
Equi-Select Separate Account A	286,658.181	\$ 7.86	\$ 2,253,133
ING American Funds Growth-Income Portfolio			
Contracts in accumulation period:			
Equi-Select Separate Account A	173,871.136	\$ 7.80	\$ 1,356,195
ING American Funds International Portfolio			
Contracts in accumulation period:			
Equi-Select Separate Account A	268,957.214	\$ 9.61	\$ 2,584,679
ING BlackRock Large Cap Growth Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	30,505.344	\$ 7.77	\$ 237,027

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

<u>Division/Contract</u>	<u>Units</u>	<u>Unit Value</u>	<u>Extended Value</u>
ING BlackRock Large Cap Value Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	6,132.630	\$ 8.41	\$ 51,575
ING Evergreen Health Sciences Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	28,250.206	\$ 9.52	\$ 268,942
ING FMRSM Diversified Mid Cap Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	980,086.217	\$ 8.98	\$ 8,801,174
ING Franklin Income Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	84,471.834	\$ 7.71	\$ 651,278
ING Franklin Mutual Shares Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	17,049.628	\$ 7.29	\$ 124,292
ING Franklin Templeton Founding Strategy Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	42,732.478	\$ 6.09	\$ 260,241
ING Global Real Estate Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	25,745.914	\$ 7.21	\$ 185,628
ING Global Resources Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	96,225.916	\$ 27.51	\$ 2,647,175
ING International Growth Opportunities Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	656,406.554	\$ 7.53	\$ 4,942,741
ING Janus Contrarian Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	185,266.967	\$ 8.88	\$ 1,645,171
ING JPMorgan Emerging Markets Equity Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	218,534.317	\$ 12.22	\$ 2,670,489

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

<u>Division/Contract</u>	<u>Units</u>	<u>Unit Value</u>	<u>Extended Value</u>
ING JPMorgan Small Cap Core Equity Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	26,913.316	\$ 8.76	\$ 235,761
ING JPMorgan Value Opportunities Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	5,607.982	\$ 7.32	\$ 41,050
ING Julius Baer Foreign Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	143,969.471	\$ 9.64	\$ 1,387,866
ING Legg Mason Value Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	45,566.516	\$ 4.92	\$ 224,187
ING LifeStyle Aggressive Growth Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	260,093.620	\$ 7.79	\$ 2,026,129
ING LifeStyle Growth Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	547,224.832	\$ 8.17	\$ 4,470,827
ING LifeStyle Moderate Growth Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	416,187.287	\$ 8.51	\$ 3,541,754
ING LifeStyle Moderate Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	277,204.226	\$ 8.91	\$ 2,469,890
ING Limited Maturity Bond Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	278,982.195	\$ 21.50	\$ 5,998,117
ING Liquid Assets Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	986,399.800	\$ 17.12	\$ 16,887,165
ING Lord Abbett Affiliated Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	59,806.349	\$ 8.77	\$ 524,502

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

<u>Division/Contract</u>	<u>Units</u>	<u>Unit Value</u>	<u>Extended Value</u>
ING Marsico Growth Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	1,423,033.565	\$ 11.23	\$ 15,980,667
ING Marsico International Opportunities Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	19,833.889	\$ 8.99	\$ 178,307
ING MFS Total Return Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	2,356,823.176	\$ 21.33	\$ 50,271,038
ING MFS Utilities Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	116,817.411	\$ 11.34	\$ 1,324,709
ING Oppenheimer Main Street Portfolio® - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	2,352,786.176	\$ 15.20	\$ 35,762,350
ING PIMCO Core Bond Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	427,187.924	\$ 15.57	\$ 6,651,316
ING PIMCO High Yield Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	203,512.199	\$ 9.26	\$ 1,884,523
ING Pioneer Fund Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	2,615.719	\$ 8.43	\$ 22,051
ING Pioneer Mid Cap Value Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	204,910.795	\$ 8.28	\$ 1,696,661
ING T. Rowe Price Capital Appreciation Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	488,671.504	\$ 35.06	\$ 17,132,823
ING T. Rowe Price Equity Income Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	151,853.626	\$ 22.17	\$ 3,366,595

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

Division/Contract	Units	Unit Value	Extended Value
ING Templeton Global Growth Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	82,213.627	\$ 15.88	\$ 1,305,552
ING Van Kampen Capital Growth Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	4,251.995	\$ 7.75	\$ 32,953
ING Van Kampen Global Franchise Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	36,117.690	\$ 9.71	\$ 350,703
ING Van Kampen Growth and Income Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	707,641.841	\$ 21.66	\$ 15,327,522
ING Van Kampen Real Estate Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	65,867.061	\$ 39.77	\$ 2,619,533
ING VP Index Plus International Equity Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	5,535.077	\$ 7.52	\$ 41,624
ING Wells Fargo Small Cap Disciplined Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	5,521.293	\$ 7.21	\$ 39,809
ING Baron Small Cap Growth Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	43,835.274	\$ 7.58	\$ 332,271
ING Columbia Small Cap Value II Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	55,583.608	\$ 6.63	\$ 368,519
ING Davis New York Venture Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	22,130.070	\$ 6.85	\$ 151,591
ING JPMorgan Mid Cap Value Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	2,064.616	\$ 6.98	\$ 14,411

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

<u>Division/Contract</u>	<u>Units</u>	<u>Unit Value</u>	<u>Extended Value</u>
ING Legg Mason Partners Aggressive Growth Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	1,627.793	\$ 7.48	\$ 12,176
ING Neuberger Berman Partners Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	95,646.077	\$ 5.30	\$ 506,924
ING Oppenheimer Global Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	33,016.445	\$ 8.54	\$ 281,960
ING T. Rowe Price Growth Equity Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	685.436	\$ 5.78	\$ 3,962
ING Templeton Foreign Equity Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	36,368.132	\$ 7.44	\$ 270,579
ING UBS U.S. Large Cap Equity Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	6,983.492	\$ 7.42	\$ 51,818
ING Van Kampen Comstock Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	32,386.644	\$ 7.30	\$ 236,423
ING Van Kampen Equity and Income Portfolio - Service Class			
Contracts in accumulation period:			
Equi-Select Separate Account A	27,149.785	\$ 9.24	\$ 250,864
ING VP Growth and Income Portfolio - Class I			
Contracts in accumulation period:			
Equi-Select Separate Account A	1,863,071.507	\$ 6.12	\$ 11,401,998
ING VP Growth and Income Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	320,557.248	\$ 6.10	\$ 1,955,399
ING BlackRock Global Science and Technology Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	5,935.435	\$ 6.66	\$ 39,530

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

<u>Division/Contract</u>	<u>Units</u>	<u>Unit Value</u>	<u>Extended Value</u>
ING Lehman Brothers U.S. Aggregate Bond Index® Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	6,171.520	\$ 10.20	\$ 62,950
ING Russell™ Large Cap Index Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	648.358	\$ 6.71	\$ 4,350
ING Russell™ Mid Cap Index Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	1,828.670	\$ 6.13	\$ 11,210
ING Russell™ Small Cap Index Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	5,167.506	\$ 6.97	\$ 36,018
ING VP Index Plus LargeCap Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	23,544.472	\$ 7.86	\$ 185,060
ING VP Index Plus MidCap Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	38,959.929	\$ 7.90	\$ 307,783
ING VP Index Plus SmallCap Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	60,919.290	\$ 7.69	\$ 468,469
ING VP Small Company Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	4,186.510	\$ 7.17	\$ 30,017
ING WisdomTreeSM Global High-Yielding Equity Index Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	10,576.463	\$ 6.02	\$ 63,670
ING VP MidCap Opportunities Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	2,996,750.825	\$ 6.58	\$ 19,718,620
ING VP SmallCap Opportunities Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	1,105.067	\$ 9.27	\$ 10,244

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

<u>Division/Contract</u>	<u>Units</u>	<u>Unit Value</u>	<u>Extended Value</u>
ING VP Intermediate Bond Portfolio - Class S			
Contracts in accumulation period:			
Equi-Select Separate Account A	123,360.818	\$ 9.70	\$ 1,196,600
Legg Mason Partners Variable International All Cap Opportunity Portfolio			
Contracts in accumulation period:			
Equi-Select Separate Account A	381,130.500	\$ 10.31	\$ 3,929,455
Legg Mason Partners Variable Investors Portfolio			
Contracts in accumulation period:			
Equi-Select Separate Account A	2,109,918.914	\$ 6.17	\$ 13,018,200
Legg Mason Partners Variable Lifestyle Allocation 50%			
Contracts in accumulation period:			
Equi-Select Separate Account A	1,036,659.448	\$ 11.61	\$ 12,035,616
Legg Mason Partners Variable Lifestyle Allocation 70%			
Contracts in accumulation period:			
Equi-Select Separate Account A	931,170.121	\$ 9.88	\$ 9,199,961
Legg Mason Partners Variable Lifestyle Allocation 85%			
Contracts in accumulation period:			
Equi-Select Separate Account A	598,255.717	\$ 9.62	\$ 5,755,220
Legg Mason Partners Variable High Income Portfolio			
Contracts in accumulation period:			
Equi-Select Separate Account A	286,215.205	\$ 11.67	\$ 3,340,131
Legg Mason Partners Variable Money Market Portfolio			
Contracts in accumulation period:			
Equi-Select Separate Account A	246,278.117	\$ 13.54	\$ 3,334,606

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

10. Financial Highlights

A summary of unit values, units outstanding and net assets for variable annuity Contracts, expense ratios, excluding expenses of underlying Series or Portfolios, investment income ratios, and total return for the years ended December 31, 2008, 2007, 2006, 2005 and 2004, follows:

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
BlackRock Global Allocation V.I. Fund - Class III						
2008	50	\$7.99	\$398	(e)	1.40%	(e)
2007	(e)	(e)	(e)	(e)	(e)	(e)
2006	(e)	(e)	(e)	(e)	(e)	(e)
2005	(e)	(e)	(e)	(e)	(e)	(e)
2004	(e)	(e)	(e)	(e)	(e)	(e)
Columbia Small Cap Value Fund, Variable Series - Class B						
2008	28	\$9.10	\$256	0.50%	1.40%	-29.18%
2007	42	\$12.85	\$540	0.31%	1.40%	-3.89%
2006	57	\$13.37	\$766	0.33%	1.40%	17.69%
2005	79	\$11.36	\$891	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
Fidelity® VIP Equity-Income Portfolio - Service Class 2						
2008	18	\$7.33	\$132	1.40%	1.40%	-43.57%
2007	34	\$12.99	\$439	1.72%	1.40%	-0.15%
2006	29	\$13.01	\$376	2.95%	1.40%	18.27%
2005	5	\$11.00	\$50	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
Fidelity® VIP Contrafund® Portfolio - Service Class 2						
2008	137	\$8.59	\$1,173	0.69%	1.40%	-43.52%
2007	191	\$15.21	\$2,907	0.85%	1.40%	15.67%
2006	156	\$13.15	\$2,050	1.07%	1.40%	9.86%
2005	108	\$11.97	\$1,296	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING AllianceBernstein Mid Cap Growth Portfolio - Service Class						
2008	977	\$11.97	\$11,689	-	1.40%	-47.15%
2007	1,240	\$22.65	\$28,079	-	1.40%	9.31%
2006	1,655	\$20.72	\$34,265	-	1.40%	0.34%
2005	2,215	\$20.65	\$45,707	-	1.40%	5.36%
2004	2,916	\$19.60	\$57,119	-	1.40%	17.86%
ING American Funds Asset Allocation Portfolio						
2008	5	\$7.19	\$39	(e)	1.40%	(e)
2007	(e)	(e)	(e)	(e)	(e)	(e)
2006	(e)	(e)	(e)	(e)	(e)	(e)
2005	(e)	(e)	(e)	(e)	(e)	(e)
2004	(e)	(e)	(e)	(e)	(e)	(e)
ING American Funds Bond Portfolio						
2008	30	\$9.01	\$270	(e)	1.40%	(e)
2007	(e)	(e)	(e)	(e)	(e)	(e)
2006	(e)	(e)	(e)	(e)	(e)	(e)
2005	(e)	(e)	(e)	(e)	(e)	(e)
2004	(e)	(e)	(e)	(e)	(e)	(e)
ING American Funds Growth Portfolio						
2008	287	\$7.86	\$2,251	0.82%	1.40%	-45.11%
2007	372	\$14.32	\$5,328	0.25%	1.40%	10.24%
2006	316	\$12.99	\$4,099	0.17%	1.40%	8.07%
2005	180	\$12.02	\$2,165	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING American Funds Growth-Income Portfolio						
2008	174	\$7.80	\$1,355	1.43%	1.40%	-39.06%
2007	212	\$12.80	\$2,710	1.06%	1.40%	2.98%
2006	191	\$12.43	\$2,370	0.64%	1.40%	13.10%
2005	41	\$10.99	\$446	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING American Funds International Portfolio						
2008	269	\$9.61	\$2,583	1.86%	1.40%	-43.27%
2007	356	\$16.94	\$6,021	0.87%	1.40%	17.72%
2006	299	\$14.39	\$4,297	0.72%	1.40%	16.71%
2005	168	\$12.33	\$2,065	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING BlackRock Large Cap Growth Portfolio - Service Class						
2008	31	\$7.77	\$237	-	1.40%	-39.91%
2007	40	\$12.93	\$512	-	1.40%	5.21%
2006	57	\$12.29	\$706	-	1.40%	5.67%
2005	80	\$11.63	\$933	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING BlackRock Large Cap Value Portfolio - Service Class						
2008	6	\$8.41	\$52	-	1.40%	-36.24%
2007	13	\$13.19	\$171	0.52%	1.40%	2.81%
2006	17	\$12.83	\$212	0.64%	1.40%	14.76%
2005	3	\$11.18	\$35	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING Evergreen Health Sciences Portfolio - Service Class						
2008	28	\$9.52	\$269	-	1.40%	-29.64%
2007	12	\$13.53	\$166	-	1.40%	7.04%
2006	18	\$12.64	\$226	-	1.40%	12.26%
2005	11	\$11.26	\$127	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING FMR SM Diversified Mid Cap Portfolio - Service Class						
2008	980	\$8.98	\$8,792	0.68%	1.40%	-40.01%
2007	1,225	\$14.97	\$18,327	0.20%	1.40%	12.90%
2006	392	\$13.26	\$5,197	-	1.40%	10.32%
2005	464	\$12.02	\$5,574	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING Franklin Income Portfolio - Service Class						
2008	84	\$7.71	\$651	3.04%	1.40%	-30.29%
2007	84	\$11.06	\$928	1.21%	1.40%	1.19%
2006	21	\$10.93	\$233	(c)	1.40%	(c)
2005	(c)	(c)	(c)	(c)	(c)	(c)
2004	(c)	(c)	(c)	(c)	(c)	(c)
ING Franklin Mutual Shares Portfolio - Service Class						
2008	17	\$7.29	\$124	2.16%	1.40%	-38.69%
2007	29	\$11.89	\$339	(d)	1.40%	(d)
2006	(d)	(d)	(d)	(d)	(d)	(d)
2005	(d)	(d)	(d)	(d)	(d)	(d)
2004	(d)	(d)	(d)	(d)	(d)	(d)
ING Franklin Templeton Founding Strategy Portfolio - Service Class						
2008	43	\$6.09	\$260	-	1.40%	-36.63%
2007	54	\$9.61	\$521	(d)	1.40%	(d)
2006	(d)	(d)	(d)	(d)	(d)	(d)
2005	(d)	(d)	(d)	(d)	(d)	(d)
2004	(d)	(d)	(d)	(d)	(d)	(d)
ING Global Real Estate Portfolio - Service Class						
2008	26	\$7.21	\$186	-	1.40%	-42.09%
2007	46	\$12.45	\$568	4.91%	1.40%	-8.59%
2006	6	\$13.62	\$84	(c)	1.40%	(c)
2005	(c)	(c)	(c)	(c)	(c)	(c)
2004	(c)	(c)	(c)	(c)	(c)	(c)
ING Global Resources Portfolio - Service Class						
2008	96	\$27.51	\$2,645	2.03%	1.40%	-41.83%
2007	102	\$47.29	\$4,835	0.02%	1.40%	31.40%
2006	105	\$35.99	\$3,760	0.20%	1.40%	19.73%
2005	125	\$30.06	\$3,764	0.70%	1.40%	35.83%
2004	74	\$22.13	\$1,628	0.90%	1.40%	4.93%

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING International Growth Opportunities Portfolio - Service Class						
2008	656	\$7.53	\$4,938	1.15%	1.40%	-52.97%
2007	847	\$16.01	\$13,546	1.13%	1.40%	16.78%
2006	1,101	\$13.71	\$15,080	1.61%	1.40%	19.84%
2005	1,497	\$11.44	\$17,118	2.35%	1.40%	8.95%
2004	2,124	\$10.50	\$22,291	0.90%	1.40%	15.13%
ING Janus Contrarian Portfolio - Service Class						
2008	185	\$8.88	\$1,644	0.59%	1.40%	-49.72%
2007	250	\$17.66	\$4,416	-	1.40%	19.16%
2006	34	\$14.82	\$509	0.42%	1.40%	21.38%
2005	16	\$12.21	\$201	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING JPMorgan Emerging Markets Equity Portfolio - Service Class						
2008	219	\$12.22	\$2,668	2.56%	1.40%	-51.95%
2007	270	\$25.43	\$6,855	0.92%	1.40%	36.50%
2006	273	\$18.63	\$5,079	0.54%	1.40%	33.93%
2005	297	\$13.91	\$4,122	0.06%	1.40%	32.98%
2004	301	\$10.46	\$3,144	0.34%	1.40%	16.09%
ING JPMorgan Small Cap Core Equity Portfolio - Service Class						
2008	27	\$8.76	\$236	0.55%	1.40%	-30.97%
2007	39	\$12.69	\$495	0.19%	1.40%	-3.06%
2006	42	\$13.09	\$545	-	1.40%	15.03%
2005	8	\$11.38	\$94	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING JPMorgan Value Opportunities Portfolio - Service Class						
2008	6	\$7.32	\$41	2.86%	1.40%	-40.34%
2007	8	\$12.27	\$99	0.68%	1.40%	-2.54%
2006	15	\$12.59	\$193	0.22%	1.40%	18.33%
2005	3	\$10.64	\$28	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING Julius Baer Foreign Portfolio - Service Class						
2008	144	\$9.64	\$1,387	-	1.40%	-44.44%
2007	177	\$17.35	\$3,066	0.07%	1.40%	14.82%
2006	151	\$15.11	\$2,275	-	1.40%	27.40%
2005	75	\$11.86	\$893	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING Legg Mason Value Portfolio - Service Class						
2008	46	\$4.92	\$224	-	1.40%	-56.07%
2007	56	\$11.20	\$624	-	1.40%	-7.28%
2006	63	\$12.08	\$765	-	1.40%	5.04%
2005	42	\$11.50	\$481	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING LifeStyle Aggressive Growth Portfolio - Service Class						
2008	260	\$7.79	\$2,024	1.56%	1.40%	-42.59%
2007	313	\$13.57	\$4,243	0.72%	1.40%	1.80%
2006	225	\$13.33	\$2,991	0.14%	1.40%	16.42%
2005	47	\$11.45	\$533	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING LifeStyle Growth Portfolio - Service Class						
2008	547	\$8.17	\$4,468	1.66%	1.40%	-37.54%
2007	633	\$13.08	\$8,270	1.09%	1.40%	2.43%
2006	492	\$12.77	\$6,276	0.50%	1.40%	13.92%
2005	92	\$11.21	\$1,025	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING LifeStyle Moderate Growth Portfolio - Service Class						
2008	416	\$8.51	\$3,540	1.83%	1.40%	-32.57%
2007	501	\$12.62	\$6,318	1.24%	1.40%	3.27%
2006	391	\$12.22	\$4,770	0.66%	1.40%	11.80%
2005	111	\$10.93	\$1,216	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING LifeStyle Moderate Portfolio - Service Class						
2008	277	\$8.91	\$2,469	1.88%	1.40%	-27.03%
2007	328	\$12.21	\$4,009	1.65%	1.40%	3.47%
2006	267	\$11.80	\$3,148	1.06%	1.40%	9.87%
2005	88	\$10.74	\$949	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING Limited Maturity Bond Portfolio - Service Class						
2008	279	\$21.50	\$5,994	6.56%	1.40%	-1.65%
2007	372	\$21.86	\$8,127	1.99%	1.40%	4.29%
2006	477	\$20.96	\$9,999	3.38%	1.40%	2.39%
2005	721	\$20.47	\$14,746	4.69%	1.40%	0.20%
2004	1,026	\$20.43	\$20,953	4.43%	1.40%	-0.05%
ING Liquid Assets Portfolio - Service Class						
2008	986	\$17.12	\$16,878	2.41%	1.40%	1.00%
2007	648	\$16.95	\$10,985	4.95%	1.40%	3.48%
2006	686	\$16.38	\$11,225	4.77%	1.40%	3.21%
2005	877	\$15.87	\$13,916	2.86%	1.40%	1.34%
2004	995	\$15.66	\$15,577	0.94%	1.40%	-0.51%
ING Lord Abbett Affiliated Portfolio - Service Class						
2008	60	\$8.77	\$525	2.33%	1.40%	-37.45%
2007	85	\$14.02	\$1,193	1.68%	1.40%	2.71%
2006	123	\$13.65	\$1,672	0.81%	1.40%	15.97%
2005	162	\$11.77	\$1,904	1.07%	1.40%	3.98%
2004	294	\$11.32	\$3,325	0.62%	1.40%	8.33%
ING Marsico Growth Portfolio - Service Class						
2008	1,423	\$11.23	\$15,964	0.51%	1.40%	-41.17%
2007	1,717	\$19.09	\$32,763	-	1.40%	12.56%
2006	2,227	\$16.96	\$37,748	-	1.40%	3.48%
2005	2,934	\$16.39	\$48,061	-	1.40%	7.40%
2004	3,759	\$15.26	\$57,331	-	1.40%	10.90%

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING Marsico International Opportunities Portfolio - Service Class						
2008	20	\$8.99	\$178	1.22%	1.40%	-50.19%
2007	27	\$18.05	\$479	0.56%	1.40%	18.91%
2006	15	\$15.18	\$232	0.04%	1.40%	22.22%
2005	5	\$12.42	\$56	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING MFS Total Return Portfolio - Service Class						
2008	2,357	\$21.33	\$50,234	5.63%	1.40%	-23.44%
2007	3,037	\$27.86	\$84,572	2.79%	1.40%	2.54%
2006	3,893	\$27.17	\$105,726	2.26%	1.40%	10.36%
2005	5,275	\$24.62	\$129,806	2.19%	1.40%	1.48%
2004	6,547	\$24.26	\$158,767	1.73%	1.40%	9.58%
ING MFS Utilities Portfolio - Service Class						
2008	117	\$11.34	\$1,325	3.36%	1.40%	-38.57%
2007	125	\$18.46	\$2,308	0.77%	1.40%	25.58%
2006	72	\$14.70	\$1,060	0.06%	1.40%	28.95%
2005	20	\$11.40	\$229	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING Oppenheimer Main Street Portfolio® - Service Class						
2008	2,353	\$15.20	\$35,727	2.52%	1.40%	-39.54%
2007	2,869	\$25.14	\$72,087	0.99%	1.40%	2.78%
2006	3,682	\$24.46	\$90,010	1.04%	1.40%	13.35%
2005	4,949	\$21.58	\$106,729	0.91%	1.40%	4.25%
2004	6,387	\$20.70	\$132,145	0.76%	1.40%	11.29%
ING PIMCO Core Bond Portfolio - Service Class						
2008	427	\$15.57	\$6,648	3.11%	1.40%	2.70%
2007	413	\$15.16	\$6,265	3.24%	1.40%	7.44%
2006	483	\$14.11	\$6,809	2.49%	1.40%	2.92%
2005	587	\$13.71	\$8,046	3.45%	1.40%	1.03%
2004	649	\$13.57	\$8,801	2.44%	1.40%	3.43%

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING PIMCO High Yield Portfolio - Service Class						
2008	204	\$9.26	\$1,884	8.47%	1.40%	-23.66%
2007	293	\$12.13	\$3,548	6.61%	1.40%	1.42%
2006	354	\$11.96	\$4,232	6.30%	1.40%	7.46%
2005	438	\$11.13	\$4,875	6.39%	1.40%	2.87%
2004	561	\$10.82	\$6,072	(a)	1.40%	(a)
ING Pioneer Fund Portfolio - Service Class						
2008	3	\$8.43	\$22	2.86%	1.40%	-35.65%
2007	4	\$13.10	\$48	-	1.40%	3.64%
2006	5	\$12.64	\$65	-	1.40%	15.12%
2005	3	\$10.98	\$36	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING Pioneer Mid Cap Value Portfolio - Service Class						
2008	205	\$8.28	\$1,695	2.12%	1.40%	-34.08%
2007	45	\$12.56	\$567	0.65%	1.40%	4.06%
2006	30	\$12.07	\$358	0.19%	1.40%	10.73%
2005	29	\$10.90	\$314	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING T. Rowe Price Capital Appreciation Portfolio - Service Class						
2008	489	\$35.06	\$17,122	4.10%	1.40%	-28.54%
2007	616	\$49.06	\$30,192	1.82%	1.40%	2.94%
2006	722	\$47.66	\$34,370	1.16%	1.40%	13.02%
2005	928	\$42.17	\$39,102	1.32%	1.40%	6.25%
2004	1,088	\$39.69	\$43,171	1.04%	1.40%	14.98%
ING T. Rowe Price Equity Income Portfolio - Service Class						
2008	152	\$22.17	\$3,365	3.97%	1.40%	-36.60%
2007	193	\$34.97	\$6,757	1.43%	1.40%	1.63%
2006	239	\$34.41	\$8,221	1.35%	1.40%	17.44%
2005	306	\$29.30	\$8,967	1.20%	1.40%	2.45%
2004	346	\$28.60	\$9,878	0.94%	1.40%	13.31%

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING Templeton Global Growth Portfolio - Service Class						
2008	82	\$15.88	\$1,305	0.94%	1.40%	-40.50%
2007	111	\$26.69	\$2,954	1.05%	1.40%	0.95%
2006	149	\$26.44	\$3,932	0.93%	1.40%	20.24%
2005	182	\$21.99	\$4,005	0.76%	1.40%	8.33%
2004	229	\$20.30	\$4,641	0.51%	1.40%	9.43%
ING Van Kampen Capital Growth Portfolio - Service Class						
2008	4	\$7.75	\$33	-	1.40%	-50.03%
2007	1	\$15.51	\$13	-	1.40%	19.58%
2006	2	\$12.97	\$30	-	1.40%	2.61%
2005	12	\$12.64	\$153	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING Van Kampen Global Franchise Portfolio - Service Class						
2008	36	\$9.71	\$351	1.83%	1.40%	-29.54%
2007	46	\$13.78	\$632	-	1.40%	8.16%
2006	42	\$12.74	\$529	1.78%	1.40%	19.62%
2005	19	\$10.65	\$205	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING Van Kampen Growth and Income Portfolio - Service Class						
2008	708	\$21.66	\$15,315	3.63%	1.40%	-33.17%
2007	902	\$32.41	\$29,216	1.52%	1.40%	1.15%
2006	1,169	\$32.04	\$37,434	1.13%	1.40%	14.39%
2005	1,497	\$28.01	\$41,913	1.03%	1.40%	8.52%
2004	1,769	\$25.81	\$45,644	0.91%	1.40%	12.51%
ING Van Kampen Real Estate Portfolio - Service Class						
2008	66	\$39.77	\$2,618	1.19%	1.40%	-39.38%
2007	103	\$65.61	\$6,783	1.21%	1.40%	-18.89%
2006	173	\$80.89	\$14,016	1.20%	1.40%	35.70%
2005	195	\$59.61	\$11,619	1.07%	1.40%	15.17%
2004	241	\$51.76	\$12,476	1.48%	1.40%	35.82%

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING VP Index Plus International Equity Portfolio - Service Class						
2008	6	\$7.52	\$42	5.78%	1.40%	-44.58%
2007	10	\$13.57	\$131	-	1.40%	6.68%
2006	17	\$12.72	\$213	(c)	1.40%	(c)
2005	(c)	(c)	(c)	(c)	(c)	(c)
2004	(c)	(c)	(c)	(c)	(c)	(c)
ING Wells Fargo Small Cap Disciplined Portfolio - Service Class						
2008	6	\$7.21	\$40	1.48%	1.40%	-33.73%
2007	9	\$10.88	\$95	-	1.40%	-5.06%
2006	8	\$11.46	\$96	0.48%	1.40%	17.90%
2005	-	\$9.72	\$1	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING Baron Small Cap Growth Portfolio - Service Class						
2008	44	\$7.58	\$332	-	1.40%	-42.05%
2007	48	\$13.08	\$626	-	1.40%	4.56%
2006	42	\$12.51	\$522	-	1.40%	13.62%
2005	38	\$11.01	\$418	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING Columbia Small Cap Value II Portfolio - Service Class						
2008	56	\$6.63	\$369	-	1.40%	-35.06%
2007	43	\$10.21	\$439	-	1.40%	1.59%
2006	27	\$10.05	\$267	(c)	1.40%	(c)
2005	(c)	(c)	(c)	(c)	(c)	(c)
2004	(c)	(c)	(c)	(c)	(c)	(c)
ING Davis New York Venture Portfolio - Service Class						
2008	22	\$6.85	\$152	0.78%	1.40%	-40.07%
2007	31	\$11.43	\$359	0.33%	1.40%	2.70%
2006	21	\$11.13	\$239	-	1.40%	12.31%
2005	1	\$9.91	\$7	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING JPMorgan Mid Cap Value Portfolio - Service Class						
2008	2	\$6.98	\$14	(e)	1.40%	(e)
2007	(e)	(e)	(e)	(e)	(e)	(e)
2006	(e)	(e)	(e)	(e)	(e)	(e)
2005	(e)	(e)	(e)	(e)	(e)	(e)
2004	(e)	(e)	(e)	(e)	(e)	(e)
ING Legg Mason Partners Aggressive Growth Portfolio - Service Class						
2008	2	\$7.48	\$12	-	1.40%	-40.21%
2007	4	\$12.51	\$46	-	1.40%	-3.25%
2006	5	\$12.93	\$68	-	1.40%	8.47%
2005	1	\$11.92	\$16	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING Neuberger Berman Partners Portfolio - Service Class						
2008	96	\$5.30	\$507	-	1.40%	-51.95%
2007	116	\$11.03	\$1,282	0.27%	1.40%	7.09%
2006	161	\$10.30	\$1,659	(c)	1.40%	(c)
2005	(c)	(c)	(c)	(c)	(c)	(c)
2004	(c)	(c)	(c)	(c)	(c)	(c)
ING Oppenheimer Global Portfolio - Service Class						
2008	33	\$8.54	\$282	2.13%	1.40%	-41.31%
2007	39	\$14.55	\$562	1.25%	1.40%	4.83%
2006	29	\$13.88	\$399	0.09%	1.40%	15.96%
2005	12	\$11.97	\$142	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING T. Rowe Price Growth Equity Portfolio - Service Class						
2008	1	\$5.78	\$4	-	1.40%	-43.17%
2007	1	\$10.17	\$12	(d)	1.40%	(d)
2006	(d)	(d)	(d)	(d)	(d)	(d)
2005	(d)	(d)	(d)	(d)	(d)	(d)
2004	(d)	(d)	(d)	(d)	(d)	(d)

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING Templeton Foreign Equity Portfolio - Service Class						
2008	36	\$7.44	\$271	2.37%	1.40%	-41.46%
2007	25	\$12.71	\$319	1.11%	1.40%	13.69%
2006	4	\$11.18	\$41	(c)	1.40%	(c)
2005	(c)	(c)	(c)	(c)	(c)	(c)
2004	(c)	(c)	(c)	(c)	(c)	(c)
ING UBS U.S. Large Cap Equity Portfolio - Service Class						
2008	7	\$7.42	\$52	1.09%	1.40%	-40.88%
2007	11	\$12.55	\$132	0.69%	1.40%	-0.48%
2006	12	\$12.61	\$156	0.40%	1.40%	12.69%
2005	4	\$11.19	\$46	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING Van Kampen Comstock Portfolio - Service Class						
2008	32	\$7.30	\$236	2.53%	1.40%	-37.39%
2007	61	\$11.66	\$712	1.52%	1.40%	-3.64%
2006	60	\$12.10	\$732	0.71%	1.40%	14.26%
2005	20	\$10.59	\$211	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING Van Kampen Equity and Income Portfolio - Service Class						
2008	27	\$9.24	\$251	4.96%	1.40%	-24.63%
2007	35	\$12.26	\$435	1.50%	1.40%	1.83%
2006	19	\$12.04	\$232	2.55%	1.40%	10.87%
2005	8	\$10.86	\$87	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING VP Growth and Income Portfolio - Class I						
2008	1,863	\$6.12	\$11,392	1.38%	1.40%	-38.55%
2007	2,311	\$9.96	\$23,002	(d)	1.40%	(d)
2006	(d)	(d)	(d)	(d)	(d)	(d)
2005	(d)	(d)	(d)	(d)	(d)	(d)
2004	(d)	(d)	(d)	(d)	(d)	(d)

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING VP Growth and Income Portfolio - Class S						
2008	321	\$6.10	\$1,953	3.99%	1.40%	-38.69%
2007	-	\$9.95	\$4	(d)	1.40%	(d)
2006	(d)	(d)	(d)	(d)	(d)	(d)
2005	(d)	(d)	(d)	(d)	(d)	(d)
2004	(d)	(d)	(d)	(d)	(d)	(d)
ING BlackRock Global Science and Technology Portfolio - Class S						
2008	6	\$6.66	\$40	(e)	1.40%	(e)
2007	(e)	(e)	(e)	(e)	(e)	(e)
2006	(e)	(e)	(e)	(e)	(e)	(e)
2005	(e)	(e)	(e)	(e)	(e)	(e)
2004	(e)	(e)	(e)	(e)	(e)	(e)
ING Lehman Brothers U.S. Aggregate Bond Index® Portfolio - Class S						
2008	6	\$10.20	\$63	(e)	1.40%	(e)
2007	(e)	(e)	(e)	(e)	(e)	(e)
2006	(e)	(e)	(e)	(e)	(e)	(e)
2005	(e)	(e)	(e)	(e)	(e)	(e)
2004	(e)	(e)	(e)	(e)	(e)	(e)
ING Russell™ Large Cap Index Portfolio - Class S						
2008	1	\$6.71	\$4	(e)	1.40%	(e)
2007	(e)	(e)	(e)	(e)	(e)	(e)
2006	(e)	(e)	(e)	(e)	(e)	(e)
2005	(e)	(e)	(e)	(e)	(e)	(e)
2004	(e)	(e)	(e)	(e)	(e)	(e)
ING Russell™ Mid Cap Index Portfolio - Class S						
2008	2	\$6.13	\$11	(e)	1.40%	(e)
2007	(e)	(e)	(e)	(e)	(e)	(e)
2006	(e)	(e)	(e)	(e)	(e)	(e)
2005	(e)	(e)	(e)	(e)	(e)	(e)
2004	(e)	(e)	(e)	(e)	(e)	(e)

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING Russell™ Small Cap Index Portfolio - Class S						
2008	5	\$6.97	\$36	(e)	1.40%	(e)
2007	(e)	(e)	(e)	(e)	(e)	(e)
2006	(e)	(e)	(e)	(e)	(e)	(e)
2005	(e)	(e)	(e)	(e)	(e)	(e)
2004	(e)	(e)	(e)	(e)	(e)	(e)
ING VP Index Plus LargeCap Portfolio - Class S						
2008	24	\$7.86	\$185	2.11%	1.40%	-38.26%
2007	23	\$12.73	\$290	0.97%	1.40%	3.24%
2006	27	\$12.33	\$330	1.26%	1.40%	12.71%
2005	4	\$10.94	\$45	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING VP Index Plus MidCap Portfolio - Class S						
2008	39	\$7.90	\$308	1.39%	1.40%	-38.57%
2007	54	\$12.86	\$697	0.46%	1.40%	3.79%
2006	48	\$12.39	\$597	0.41%	1.40%	7.55%
2005	24	\$11.52	\$277	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING VP Index Plus SmallCap Portfolio - Class S						
2008	61	\$7.69	\$468	0.67%	1.40%	-34.55%
2007	87	\$11.75	\$1,023	0.09%	1.40%	-7.84%
2006	93	\$12.75	\$1,190	0.22%	1.40%	11.94%
2005	26	\$11.39	\$301	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING VP Small Company Portfolio - Class S						
2008	4	\$7.17	\$30	(e)	1.40%	(e)
2007	(e)	(e)	(e)	(e)	(e)	(e)
2006	(e)	(e)	(e)	(e)	(e)	(e)
2005	(e)	(e)	(e)	(e)	(e)	(e)
2004	(e)	(e)	(e)	(e)	(e)	(e)

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
ING WisdomTree SM Global High-Yielding Equity Index Portfolio - Class S						
2008	11	\$6.02	\$64	(e)	1.40%	(e)
2007	(e)	(e)	(e)	(e)	(e)	(e)
2006	(e)	(e)	(e)	(e)	(e)	(e)
2005	(e)	(e)	(e)	(e)	(e)	(e)
2004	(e)	(e)	(e)	(e)	(e)	(e)
ING VP MidCap Opportunities Portfolio - Class S						
2008	2,997	\$6.58	\$19,697	(e)	1.40%	(e)
2007	(e)	(e)	(e)	(e)	(e)	(e)
2006	(e)	(e)	(e)	(e)	(e)	(e)
2005	(e)	(e)	(e)	(e)	(e)	(e)
2004	(e)	(e)	(e)	(e)	(e)	(e)
ING VP SmallCap Opportunities Portfolio - Class S						
2008	1	\$9.27	\$10	-	1.40%	-35.49%
2007	5	\$14.37	\$65	-	1.40%	8.29%
2006	6	\$13.27	\$79	-	1.40%	10.77%
2005	8	\$11.98	\$95	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
ING VP Intermediate Bond Portfolio - Class S						
2008	123	\$9.70	\$1,196	6.19%	1.40%	-9.94%
2007	114	\$10.77	\$1,227	3.96%	1.40%	4.16%
2006	91	\$10.34	\$946	5.18%	1.40%	2.38%
2005	43	\$10.10	\$437	(b)	1.40%	(b)
2004	(b)	(b)	(b)	(b)	(b)	(b)
Legg Mason Partners Variable International All Cap Opportunity Portfolio						
2008	381	\$10.31	\$3,926	1.88%	1.40%	-44.18%
2007	467	\$18.47	\$8,615	0.86%	1.40%	4.88%
2006	595	\$17.61	\$10,469	1.84%	1.40%	24.10%
2005	849	\$14.19	\$12,037	1.22%	1.40%	10.17%
2004	1,095	\$12.88	\$14,099	0.85%	1.40%	16.14%

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment Income Ratio ^A	Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
Legg Mason Partners Variable Investors Portfolio						
2008	2,110	\$6.17	\$13,008	1.24%	1.40%	-36.59%
2007	2,601	\$9.73	\$25,291	(d)	1.40%	(d)
2006	(d)	(d)	(d)	(d)	(d)	(d)
2005	(d)	(d)	(d)	(d)	(d)	(d)
2004	(d)	(d)	(d)	(d)	(d)	(d)
Legg Mason Partners Variable Lifestyle						
Allocation 50%						
2008	1,037	\$11.61	\$12,029	3.22%	1.40%	-28.33%
2007	1,388	\$16.20	\$22,470	3.34%	1.40%	1.76%
2006	1,688	\$15.92	\$26,860	2.49%	1.40%	6.70%
2005	2,243	\$14.92	\$33,447	2.07%	1.40%	1.08%
2004	2,761	\$14.76	\$40,740	0.14%	1.40%	6.11%
Legg Mason Partners Variable Lifestyle						
Allocation 70%						
2008	931	\$9.88	\$9,192	2.22%	1.40%	-33.74%
2007	1,231	\$14.91	\$18,342	2.55%	1.40%	2.40%
2006	1,509	\$14.56	\$21,955	1.69%	1.40%	7.30%
2005	2,004	\$13.57	\$27,185	1.37%	1.40%	3.27%
2004	2,467	\$13.14	\$32,396	0.09%	1.40%	7.18%
Legg Mason Partners Variable Lifestyle						
Allocation 85%						
2008	598	\$9.62	\$5,749	1.64%	1.40%	-38.29%
2007	734	\$15.59	\$11,438	1.46%	1.40%	1.90%
2006	930	\$15.30	\$14,226	0.94%	1.40%	7.90%
2005	1,203	\$14.18	\$17,040	0.40%	1.40%	4.57%
2004	1,550	\$13.56	\$20,999	-	1.40%	9.09%
Legg Mason Partners Variable High Income						
Portfolio						
2008	286	\$11.67	\$3,338	10.30%	1.40%	-30.99%
2007	392	\$16.91	\$6,628	7.98%	1.40%	-1.11%
2006	491	\$17.10	\$8,391	6.85%	1.40%	9.40%
2005	656	\$15.63	\$10,245	7.16%	1.40%	1.23%
2004	812	\$15.44	\$12,539	7.73%	1.40%	8.89%

ING USA ANNUITY AND LIFE INSURANCE COMPANY
SEPARATE ACCOUNT EQ
Notes to Financial Statements

	Units (000's)	Unit Fair Value (lowest to highest)	Net Assets (000's)	Investment		Expense Ratio ^B (lowest to highest)	Total Return ^C (lowest to highest)
				Income Ratio ^A	Income		
Legg Mason Partners Variable Money Market Portfolio							
2008	246	\$13.54	\$3,334	2.38%		1.40%	1.12%
2007	252	\$13.39	\$3,379	4.61%		1.40%	3.48%
2006	272	\$12.94	\$3,522	4.54%		1.40%	3.19%
2005	334	\$12.54	\$4,189	2.78%		1.40%	1.37%
2004	413	\$12.37	\$5,108	0.80%		1.40%	-0.56%

(a) As investment Division was not available until 2004, this data is not meaningful and is therefore not presented.

(b) As investment Division was not available until 2005, this data is not meaningful and is therefore not presented.

(c) As investment Division was not available until 2006, this data is not meaningful and is therefore not presented.

(d) As investment Division was not available until 2007, this data is not meaningful and is therefore not presented.

(e) As investment Division was not available until 2008, this data is not meaningful and is therefore not presented.

A The Investment Income Ratio represents dividends received by the Division, excluding capital gains distributions divided by the average net assets.

The recognition of investment income is determined by the timing of the declaration of dividends by the underlying fund in which the Division invests.

B The Expense Ratio considers only the expenses borne directly by the Account and is equal to the mortality and expense, administrative and other charges, as defined in Note 5. Certain items in this table are presented as a range of minimum and maximum values; however, such information is calculated independently for each column in the table.

C Total Return is calculated as the change in unit value for each Contract presented in the Statements of Assets and Liabilities. Certain items in this table are presented as a range of minimum and maximum values; however, such information is calculated independently for each column in the table.

ING USA Annuity and Life Insurance Company
1475 Dunwoody Drive
West Chester, PA 19380

Service Address:
Box 9271
Des Moines, IA 50306-9271

PRESORTED
STANDARD
U.S. POSTAGE
PAID
BOSTON MA
PERMIT NO. 57842

The distributor for variable annuities issued by ING USA Annuity and Life Insurance Company is Directed Services LLC, member FINRA, 1475 Dunwoody Drive, West Chester, PA 19380. Directed Services LLC and ING USA Annuity and Life Insurance Company are members of the ING family of Companies.



© 2009 ING North America Insurance Corporation