

Vanguard® U.S. Growth Fund

Investor Shares

Who Should Invest

- Investors seeking long-term growth of capital.
- Investors with a long-term investment horizon (at least five years).

Who Should Not Invest

- Investors unwilling to accept significant fluctuations in share price.
- Investors seeking significant dividend income.

Assets: \$5,633,132,208

Expenses: 0.50%*

Ticker Symbol: VWUSX

Newspaper Listing: USGro

Inception: January 6, 1959

Overall Risk Level:



Investment Objective

Vanguard U.S. Growth Fund seeks long-term growth of capital.

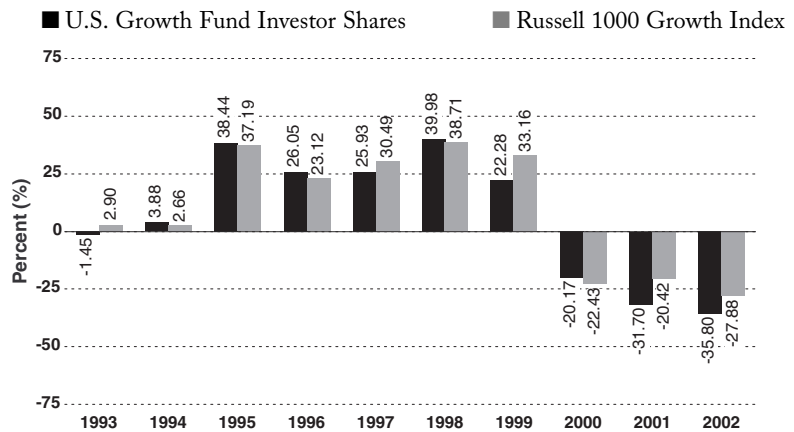
Investment Strategy

The fund emphasizes large, well-managed companies with above-average earnings growth and reasonable valuations. These companies typically have strong positions in their markets and reasonable financial strength.

See reverse side for Fund Profile.

Performance

Annual Returns 1993–2002 — U.S. Growth Fund Investor Shares vs. Russell 1000 Growth Index**



Total Returns for Periods Ended June 30, 2003***

	Year to Date	1 Year	3 Years	5 Years	10 Years
U.S. Growth Fund Investor Shares	10.36%	-3.08%	-28.42%	-11.80%	4.61%
Russell 1000 Growth Index	13.09%	2.94%	-21.54%	-5.03%	8.29%

*For most recent fiscal year.

**Russell 1000 Growth Index, an unmanaged measure of stock market performance.

***Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns.

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Fund Profile

As of June 30, 2003

Top Sector Holdings—Stocks

1. Auto & Transportation	2.6%
2. Consumer Discretionary	12.7
3. Consumer Staples	6.0
4. Financial Services	21.0
5. Health Care	30.9
6. Integrated Oils	0.0
7. Materials & Processing	0.0
8. Other Energy	0.0
9. Producer Durables	2.1
10. Technology	19.0
11. Utilities	3.9
12. Other	1.8

Largest Stock Holdings*

1. Pfizer Inc.
2. Microsoft Corp.
3. Citigroup, Inc.
4. American International Group, Inc.
5. Dell Computer Corp.
6. Cardinal Health, Inc.
7. Amgen, Inc.
8. Johnson & Johnson
9. Comcast Corp. Special Class A
10. Veritas Software Corp.

Top Ten as % of Total Net Assets 39.9%

*Fund holdings are subject to change.

A Few Words About Risk

When investing in stock funds, short-term losses (or gains) are common, largely as a result of sudden movements in stock prices as views change about the economy and individual companies. However, over extended periods the market's ups have tended to outweigh its downs. There is no guarantee this will continue. Usually, the longer you hold your investments, the lower your chances of losing money.

Overall Risk Level:



Because the U.S. Growth Fund invests in only the largest growth stocks in the United States, its performance will often differ from that of the overall stock market. Also, because it holds a relatively small number of stocks, this fund may be more volatile than a broadly diversified growth fund.

Investment Terms

Dividends: Payments made by companies to investors in their stock. The payments typically depend on economic conditions and the company's financial health.

Expenses: The costs of running a fund, expressed as a percentage of the fund's assets. For example, a fund may have expenses that total 0.30% (less than half of 1%) of its assets.

Market Risk: The chance that the value of an investment will change because of rising (or falling) stock or bond prices.

Mutual Fund: An investment company that combines the money of thousands of people and invests it in a number of securities (stocks, bonds, cash) to achieve a specific objective over time.

Total Return: The change in the value of an investment, plus any income from interest or dividends. The standard measure of a mutual fund's performance.

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Performance figures include the reinvestment of all dividends and any capital gains distribution. All returns are net of expenses. Return figures reflect past performance, which is no guarantee of future results. The investment return and principal value will fluctuate. An investor's shares, when redeemed, may be worth more or less than the original cost.

Vanguard funds are offered by prospectus only. Prospectuses contain more complete information on risks, advisory fees, distribution charges, and other expenses and should be read carefully before you invest or send money. Prospectuses can be obtained directly by writing to The Vanguard Group, P.O. Box 2900, Valley Forge, PA 19482-2900; calling 1-800-523-1188; or visiting www.vanguard.com.