

stocks

Aggressive Growth
Stock Fund

cash investments

balanced

BONDS

Vanguard® PRIMECAP Fund

Investor Shares

Assets: \$20,799,990,540

Expenses: 0.51%*

Ticker Symbol: VPMCX

Newspaper Listing: Prmcpx

Inception: November 1, 1984

Overall Risk Level:



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.
- Investors seeking a broadly diversified portfolio of stocks.

Investment Objective

Vanguard PRIMECAP Fund seeks to provide long-term capital appreciation.

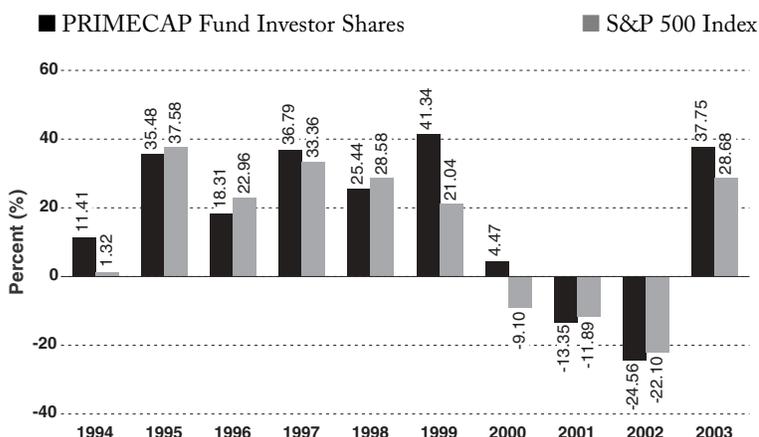
Investment Strategy

The fund invests in stocks of companies with above-average prospects for continued earnings growth, strong industry positions, and skilled management teams. It also may invest in companies with below-average earnings but bright prospects for earnings growth. The fund may not be broadly diversified; at times it may invest a large portion of assets in select industries.

See reverse side for Fund Profile.

Performance

Annual Returns 1994–2003 — PRIMECAP Fund Investor Shares vs. S&P 500 Index**



Total Returns for Periods Ended June 30, 2004***

	Year to Date	1 Year	3 Years	5 Years	10 Years
PRIMECAP Fund Investor Shares	8.77%	29.30%	1.80%	4.18%	16.00%
S&P 500 Index	3.44%	19.11%	-0.69%	-2.20%	11.83%

The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at www.vanguard.com.

*For most recent fiscal year.

**Standard & Poor's 500 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.

Note: The fund charges a 1% fee on redemptions of shares held less than five years. Fund return data are unadjusted for transaction fees.

THE Vanguard GROUP

Vanguard PRIMECAP Fund

Investor Shares

Fund Profile

As of June 30, 2004

Top Sector Holdings—Stocks

1. Auto & Transportation	9.9%
2. Consumer Discretionary	14.6
3. Consumer Staples	0.0
4. Financial Services	5.2
5. Health Care	20.9
6. Integrated Oils	5.5
7. Materials & Processing	7.4
8. Other Energy	2.8
9. Producer Durables	7.0
10. Technology	25.1
11. Utilities	0.9
12. Other	0.7

Largest Stock Holdings*

1. Biogen Idec Inc.
2. FedEx Corp.
3. Adobe Systems, Inc.
4. Guidant Corp.
5. ConocoPhillips Co.
6. Micron Technology, Inc.
7. Novartis AG ADR
8. Microsoft Corp.
9. DirecTV Group, Inc.
10. Texas Instruments, Inc.

Top Ten as % of Total Net Assets 31.7%

*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 fund holds a high percentage of its assets in a relatively small number of stocks, it will be more volatile than a fund with a broadly diversified portfolio.

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, short-term reserves) 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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For more information about Vanguard funds, visit www.vanguard.com, or call 800-523-1188, to obtain a prospectus. Investment objectives, risks, charges, expenses, and other important information about a fund are contained in the prospectus; read and consider it carefully before investing.