



Vanguard Institutional Index Fund

Institutional Shares

Domestic stock fund

Investment objective

Vanguard Institutional Index Fund seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks.

Investment strategy

The fund employs a "passive management"—or indexing—investment approach designed to track the performance of the Standard & Poor's 500 Index, which is dominated by the stocks of large U.S. companies. The fund attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index.

See reverse side for Fund Profile.

Note on frequent trading restrictions: Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to Vanguard.com for your employer plans or contact Participant Services at 800-523-1188 for additional information.

Who should invest

- Investors seeking low-cost participation in the stock market through a broadly diversified fund.
- Investors seeking long-term growth of capital.

Who should not invest

- Investors unwilling to accept significant fluctuations in share price.
- Investors seeking to beat the market return on large-capitalization stocks, which dominate the S&P 500 Index.

Total net assets: \$67,784 million

Expense ratio: 0.04%
as of June 1, 2011

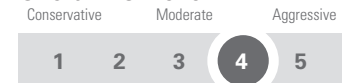
Ticker symbol: VINIX

Newspaper listing: InstIdx

Inception date: July 31, 1990

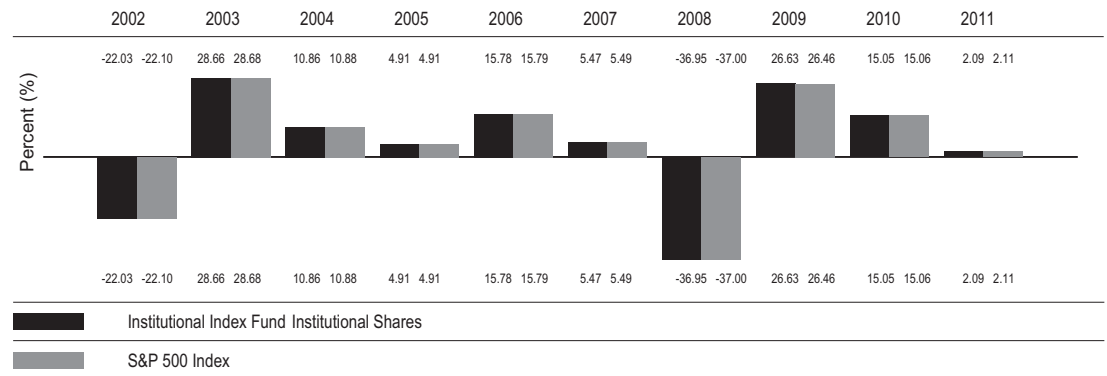
Fund number: 0094

Overall risk level:



Performance

Annual returns 2002–2011



Total returns

	Periods Ended March 31, 2012					
	Quarter	Year to Date	One Year	Three Years	Five Years	Ten Years
Institutional Index Fund Institutional Shares	12.58%	12.58%	8.52%	23.44%	2.04%	4.14%
S&P 500 Index	12.59%	12.59%	8.54%	23.42%	2.01%	4.12%

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. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month end, visit our website at vanguard.com/performance.

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

S&P 500 Index: A widely used barometer of U.S. stock market performance; as a market-weighted index of leading companies in leading industries, it is dominated by large-capitalization companies.

Vanguard Institutional Index Fund

Institutional Shares

Plain talk about risk

An investment in the fund could lose money over short or even long periods. You should expect the fund's share price and total return to fluctuate within a wide range, like the fluctuations of the overall stock market. The fund's performance could be hurt by:

Stock market risk: The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices. The fund's target index may, at times, become focused in stocks of a particular sector, category, or group of companies. Because the fund seeks to track its target index, the fund may underperform the overall stock market.

Investment style risk: The chance that returns from large-capitalization stocks will trail returns from the overall stock market. Large-cap stocks tend to go through cycles of doing better—or worse—than the stock market in general. These periods have, in the past, lasted for as long as several years.

Investment terms

Dividends: A payment of cash or stock from a company's earnings to each stockholder as declared by the company's board of directors.

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.

Mutual fund: An investment company that pools the money of many shareholders and invests it in a variety of securities in an effort to achieve a specific objective over time.

Total return: The change in the net asset value of an investment, assuming reinvestment of all dividend and capital gain distributions.

Fund profile

as of March 31, 2012

Top sector holdings—Stocks

Consumer Discretionary	10.9%
Consumer Staples	10.8
Energy	11.2
Financials	14.9
Health Care	11.4
Industrials	10.6
Information Technology	20.5
Materials	3.5
Telecommunication Services	2.8
Utilities	3.4

Ten largest holdings*

1. Apple Inc	
2. Exxon Mobil Corp	
3. International Business Machines Corp	
4. Microsoft Corp	
5. General Electric Co	
6. Chevron Corp	
7. AT&T Inc	
8. Procter & Gamble Co/The	
9. Johnson & Johnson	
10. Wells Fargo & Co	
Top 10 as % of Total Net Assets	20.4%

*The holdings listed exclude any temporary cash investments and equity index products.

Standard & Poor's®, S&P®, S&P 500®, Standard & Poor's 500, 500®, S&P MidCap 400®, and S&P SmallCap 600® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P") and have been licensed for use by The Vanguard Group, Inc. The Vanguard mutual funds are not sponsored, endorsed, sold, or promoted by S&P or its Affiliates, and S&P and its Affiliates make no representation, warranty, or condition regarding the advisability of buying, selling, or holding units/shares in the funds.

For more information about Vanguard funds, visit 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.