



Vanguard®

Vanguard 500 Index Fund Semiannual Report

June 30, 2009



- > For the fiscal half-year ended June 30, 2009, the Investor Shares of Vanguard 500 Index Fund returned 3.21%, closely tracking the performance of the target benchmark.

- > After suffering severe losses in the beginning of the period, stocks began to bounce back in mid-March, with a few sectors posting gains for the six months.

- > The biggest contributors to performance included holdings in the information technology, consumer discretionary, and materials sectors.

Contents

Your Fund's Total Returns	1
President's Letter	2
Fund Profile	6
Performance Summary	7
Financial Statements	8
About Your Fund's Expenses	24
Trustees Approve Advisory Arrangement	26
Glossary	27

Please note: The opinions expressed in this report are just that—informed opinions. They should not be considered promises or advice. Also, please keep in mind that the information and opinions cover the period through the date on the front of this report. Of course, the risks of investing in your fund are spelled out in the prospectus.

Your Fund's Total Returns

Six Months Ended June 30, 2009

	Ticker Symbol	Total Returns
Vanguard 500 Index Fund		
Investor Shares	VFINX	3.21%
Admiral™ Shares ¹	VFIAX	3.26
Signal® Shares ²	VIFSX	3.26
S&P 500 Index		3.16
Average Large-Cap Core Fund ³		4.83

Your Fund's Performance at a Glance

December 31, 2008–June 30, 2009

	Starting Share Price	Ending Share Price	Distributions Per Share	
			Income Dividends	Capital Gains
Vanguard 500 Index Fund				
Investor Shares	\$83.09	\$84.72	\$0.963	\$0.000
Admiral Shares	83.09	84.73	0.998	0.000
Signal Shares	68.64	69.99	0.824	0.000

1 A lower-cost class of shares available to many longtime shareholders and to those with significant investments in the fund.

2 Signal Shares also carry lower costs and are available to certain institutional shareholders who meet specific administrative, service, and account-size criteria.

3 Derived from data provided by Lipper Inc.



President's Letter

Dear Shareholder,

Vanguard 500 Index Fund's various share classes closely tracked the performance of the Standard & Poor's 500 Index, which returned 3.16% for the first six months of 2009. The fund finished the half-year a few steps behind the average return of large-capitalization core funds.

Holdings in the information technology, consumer discretionary, and materials sectors helped boost returns. Meanwhile, stocks in the industrial and health care areas of the market were the biggest detractors for the period.

Stock gains petered out by the end of the period

For the six months ended June 30, the broad U.S. stock market returned 5%. The stock market began the period in negative territory, rallied through much of the spring, but then lost steam in June. While the second quarter was the strongest quarter for U.S. stocks since 2003, equity gains fizzled in mid-June as investors were taken aback by a drop in consumer confidence, a decline in home prices, and a larger-than-expected rise in the unemployment rate.

International stocks registered a stronger showing, returning about 14% for the half-year. Emerging markets posted the best results as investors poured money into countries with strong growth prospects. Higher commodity prices and a slight rebound in manufacturing orders helped reverse steep declines in international stocks from earlier in the period.

Still, pockets of the developed and developing markets, particularly in Europe, continued to struggle amid the global recession. After three consecutive monthly gains, the MSCI All Country World Index ex USA declined slightly for June.

Bond investors grew confident, sought out higher yields

As the fiscal half-year began, investors panicked by the credit-market crisis sought shelter in U.S. Treasury bonds, considered the safest of all securities. The difference between the yields of Treasuries and those of corporate bonds surged to levels not seen since the 1930s.

By mid-March, investors had gained confidence from the federal government's efforts to thaw the credit market and stimulate the economy. Bond investors were more optimistic and more willing to take on risk; they shifted their focus away from Treasuries to higher-yielding corporate bonds. For the six months, the Barclays Capital U.S. Aggregate Bond Index returned about 2%, while high-yield bonds, as measured by the Barclays Capital U.S. Corporate High Yield Bond Index, returned about 30%.

Despite some murmurs in the market about longer-term inflation risks, the Federal Reserve in recent months unveiled plans to purchase Treasury and mortgage-

Market Barometer

	Total Returns Periods Ended June 30, 2009		
	Six Months	One Year	Five Years ¹
Stocks			
Russell 1000 Index (Large-caps)	4.32%	-26.69%	-1.85%
Russell 2000 Index (Small-caps)	2.64	-25.01	-1.71
Dow Jones U.S. Total Stock Market Index	5.00	-26.11	-1.47
MSCI All Country World Index ex USA (International)	14.35	-30.54	4.95
Bonds			
Barclays Capital U.S. Aggregate Bond Index (Broad taxable market)	1.90%	6.05%	5.01%
Barclays Capital Municipal Bond Index	6.43	3.77	4.14
Citigroup 3-Month Treasury Bill Index	0.10	0.78	3.02
CPI			
Consumer Price Index	2.60%	-1.43%	2.60%

¹ Annualized.

backed securities. The Fed hoped to drive up the securities' prices and push down yields, and thus keep borrowing costs, such as mortgage rates, low. Government initiatives also helped bring down municipal bond yields, which earlier in the period were higher than those of Treasuries, a reversal of the traditional relationship between taxable and tax-exempt yields. For the six months, the tax-exempt bond market returned 6.43%.

The Fed kept the target for short-term interest rates at an all-time low of 0% to 0.25% throughout the period.

Stocks began to recover, resulting in a positive return

Vanguard 500 Index Fund, like the broad U.S. stock market, was down significantly at the beginning of the period. In mid-

March, however, stocks began to rally and, by the end of the period, had crept into positive territory for the first half of fiscal 2009. A few sectors ended the six-month period with positive returns, contributing to the 500 Index Fund's total return of 3.21% for Investor Shares.

The information technology sector—the index's most heavily weighted sector—was the leading contributor to returns for the period. Big-name computer and software companies staged a strong comeback over the last few months, as corporations began spending on technology again after trimming their budgets in 2008 in response to the worldwide recession.

Expense Ratios¹

Your Fund Compared With Its Peer Group

	Investor Shares	Admiral Shares	Signal Shares	Average Large-Cap Core Fund
500 Index Fund	0.18%	0.09%	0.09%	1.26%

¹ The fund expense ratios shown are from the prospectuses dated April 29, 2009, and represent estimated costs for the current fiscal year based on the fund's current net assets as of the prospectus date. For the six months ended June 30, 2009, the annualized expense ratios were 0.18% for Investor Shares, 0.09% for Admiral Shares, and 0.09% for Signal Shares. The peer-group expense ratio is derived from data provided by Lipper Inc. and captures information through year-end 2008.

Consumer discretionary stocks were also up for the period, as consumers slowly resumed spending. The biggest contributors to performance included home improvement and furnishing stores, electronics firms, and department stores. In the materials sector, chemicals, metals, and mining companies also helped boost returns.

Stocks in the industrial sector weighed most heavily on returns, as losses in the aerospace and defense industry, as well as poor results from a big industrial conglomerate, took their toll. In the health care sector, holdings in pharmaceutical and biotechnology companies also hurt returns.

Regardless of market conditions, a long-term focus is key

Over the past 18 months, investors' resolve has been tested repeatedly. In 2008, the U.S. financial markets endured their worst calendar year since the 1930s. The first two months of 2009 brought more bad news and falling prices before stocks rebounded to turn in their best quarter since 2003. Nobody knows where the stock market will go from here, particularly in the shorter term. However, the magnitude and speed of the stock market's recent swings underscore the importance of avoiding any hasty changes to your portfolio based on emotion, particularly when the markets are most volatile. Rash decisions can often lead to disappointment.

Of course, even the most patient and level-headed investors have faced challenging times during the last year. Risk is a constant companion in the financial markets, but Vanguard's time-tested experience suggests that there are effective ways to manage it. We encourage shareholders to build a carefully constructed portfolio that contains a mix of stocks, bonds, and money market funds appropriate for your risk tolerance and long-term goals. Such a well-balanced portfolio can provide you with some protection from the market's extreme ups and downs, while also giving you the opportunity for long-term growth. Once you've decided on your appropriate asset allocation, we encourage you to stick with it and tune out the market's constant noise.

Vanguard 500 Index Fund offers a low-cost way to gain exposure to large- and mid-sized companies representing about three-quarters of the broad U.S. stock market's value. As part of a well-balanced portfolio, the fund can play a useful role in helping investors work toward their long-term financial goals.

Thank you for entrusting your assets to Vanguard.

Sincerely,



F. William McNabb III
President and Chief Executive Officer
July 13, 2009

500 Index Fund

Fund Profile

As of June 30, 2009

Portfolio Characteristics

	Fund	Target Index ¹
Number of Stocks	510	500
Median Market Cap	\$39.8B	\$39.8B
Price/Earnings Ratio	16.6x	16.6x
Price/Book Ratio	2.0x	2.0x
Yield ²		2.4%
Investor Shares	2.3%	
Admiral Shares	2.4%	
Signal Shares	2.4%	
Return on Equity	21.1%	21.1%
Earnings Growth Rate	14.2%	14.2%
Foreign Holdings	0.0%	0.0%
Turnover Rate ³	4%	—
Expense Ratio ⁴		—
Investor Shares	0.18%	
Admiral Shares	0.09%	
Signal Shares	0.09%	
Short-Term Reserves	0.3%	—

Sector Diversification (% of equity exposure)

	Fund	Target Index ¹
Consumer Discretionary	9.0%	9.0%
Consumer Staples	12.0	12.0
Energy	12.4	12.4
Financials	13.6	13.6
Health Care	14.0	14.0
Industrials	9.8	9.9
Information Technology	18.4	18.3
Materials	3.2	3.2
Telecommunication Services	3.5	3.5
Utilities	4.1	4.1

Volatility Measures⁵

	Fund Versus Target Index ¹
R-Squared	1.00
Beta	1.00

Ten Largest Holdings⁶ (% of total net assets)

ExxonMobil Corp.	integrated oil and gas	4.2%
Microsoft Corp.	systems software	2.2
Johnson & Johnson	pharmaceuticals	1.9
The Procter & Gamble Co.	household products	1.8
AT&T Inc.	integrated telecommunication services	1.8
International Business Machines Corp.	computer hardware	1.7
JPMorgan Chase & Co.	diversified financial services	1.6
Chevron Corp.	integrated oil and gas	1.6
Apple Inc.	computer hardware	1.6
General Electric Co.	industrial conglomerates	1.5
Top Ten		19.9%

Investment Focus

Style		Value	Blend	Growth
Market Cap	Large			
	Medium			
	Small			

1 S&P 500 Index.

2 30-day SEC yield for the fund; annualized dividend yield for the index. See the Glossary.

3 Annualized.

4 The expense ratios shown are from the prospectus dated April 29, 2009, and represent estimated costs for the current fiscal year based on the fund's current net assets as of the prospectus date. For the six months ended June 30, 2009, the annualized expense ratios were 0.18% for Investor Shares, 0.09% for Admiral Shares, and 0.09% for Signal Shares.

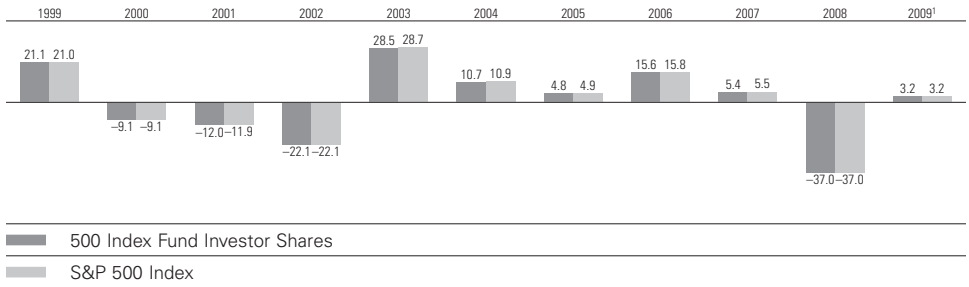
5 For an explanation of R-squared, beta, and other terms used here, see the Glossary.

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

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. (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 www.vanguard.com/performance.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

Fiscal-Year Total Returns (%): December 31, 1998–June 30, 2009



Average Annual Total Returns: Periods Ended June 30, 2009

	Inception Date	One Year	Five Years	Ten Years
Investor Shares ²	8/31/1976	-26.17%	-2.32%	-2.29%
Admiral Shares	11/13/2000	-26.10	-2.24	-2.59 ³
Signal Shares	9/29/2006	-26.10	-10.71 ³	—

¹ Six months ended June 30, 2009.

² Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

³ Return since inception.

Note: See Financial Highlights tables for dividend and capital gains information.

Financial Statements (unaudited)

Statement of Net Assets

As of June 30, 2009

The fund provides a complete list of its holdings four times in each fiscal year, at the quarter-ends. For the second and fourth fiscal quarters, the lists appear in the fund's semiannual and annual reports to shareholders. For the first and third fiscal quarters, the fund files the lists with the Securities and Exchange Commission on Form N-Q. Shareholders can look up the fund's Forms N-Q on the SEC's website at www.sec.gov. Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room (see the back cover of this report for further information).

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Common Stocks (99.1%)¹					
Consumer Discretionary (8.9%)					
McDonald's Corp.	10,580,711	608,285	* O'Reilly Automotive, Inc.	1,300,622	49,528
The Walt Disney Co.	17,807,408	415,447	Macy's Inc.	4,032,401	47,421
Home Depot, Inc.	16,268,376	384,422	VF Corp.	848,458	46,962
Comcast Corp. Class A	26,348,568	381,791	International Game Technology	2,842,192	45,191
Time Warner Inc.	11,474,855	289,052	CBS Corp.	6,439,550	44,562
Target Corp.	7,216,856	284,849	Darden Restaurants Inc.	1,312,800	43,296
Lowe's Cos., Inc.	14,160,940	274,864	Starwood Hotels & Resorts Worldwide, Inc.	1,787,375	39,680
* Amazon.com, Inc.	3,090,473	258,549	Family Dollar Stores, Inc.	1,345,267	38,071
News Corp., Class A	22,051,369	200,888	Harley-Davidson, Inc.	2,248,984	36,456
NIKE, Inc. Class B	3,716,315	192,431	* ^ Sears Holdings Corp.	526,168	35,001
* Ford Motor Co.	30,851,276	187,267	* GameStop Corp. Class A	1,578,490	34,743
Yum! Brands, Inc.	4,427,072	147,599	Limited Brands, Inc.	2,593,115	31,040
Staples, Inc.	6,857,602	138,318	Nordstrom, Inc.	1,535,969	30,550
* Viacom Inc. Class B	5,809,693	131,880	* Expedia, Inc.	2,018,394	30,498
* Kohl's Corp.	2,927,593	125,155	Tiffany & Co.	1,189,692	30,171
TJX Cos., Inc.	3,966,253	124,778	Whirlpool Corp.	708,293	30,145
* DIRECTV Group, Inc.	5,027,084	124,219	DeVry, Inc.	590,193	29,533
Johnson Controls, Inc.	5,696,878	123,736	Polo Ralph Lauren Corp.	541,397	28,986
Best Buy Co., Inc.	3,273,919	109,643	Hasbro, Inc.	1,193,960	28,942
Carnival Corp.	4,202,277	108,293	Newell Rubbermaid, Inc.	2,654,716	27,636
Time Warner Cable Inc.	3,376,353	106,929	* The Goodyear Tire & Rubber Co.	2,312,659	26,040
* Starbucks Corp.	7,054,881	97,992	The Stanley Works	756,013	25,583
Omnicom Group Inc.	2,979,927	94,106	D. R. Horton, Inc.	2,641,116	24,721
The McGraw-Hill Cos., Inc.	3,013,241	90,729	Scripps Networks Interactive	867,968	24,156
Coach, Inc.	3,046,076	81,878	* Interpublic Group of Cos., Inc.	4,589,441	23,177
* Bed Bath & Beyond, Inc.	2,489,249	76,544	* ^ Wynn Resorts Ltd.	649,066	22,912
* Apollo Group, Inc. Class A	1,032,315	73,418	Leggett & Platt, Inc.	1,504,259	22,910
The Gap, Inc.	4,411,200	72,344	Abercrombie & Fitch Co.	842,681	21,396
Marriott International, Inc. Class A	2,843,762	62,762	Wyndham Worldwide Corp.	1,708,517	20,707
J.C. Penney Co., Inc. (Holding Co.)	2,129,460	61,137	Washington Post Co. Class B	57,599	20,285
H & R Block, Inc.	3,256,776	56,114	Comcast Corp. Special Class A	1,304,720	18,397
Mattel, Inc.	3,435,632	55,142	Pulte Homes, Inc.	2,054,909	18,145
* AutoZone Inc.	345,629	52,228	* AutoNation, Inc.	1,034,679	17,952
Genuine Parts Co.	1,528,759	51,305			
Sherwin-Williams Co.	944,052	50,743			
Fortune Brands, Inc.	1,439,652	50,013			

500 Index Fund

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
RadioShack Corp.	1,198,558	16,732	The Pepsi Bottling Group, Inc.	1,309,197	44,303
* Big Lots Inc.	792,258	16,661	McCormick & Co., Inc.	1,249,945	40,661
Black & Decker Corp.	575,794	16,502	Brown-Forman Corp. Class B	940,435	40,420
Snap-On Inc.	550,197	15,813	Tyson Foods, Inc.	2,898,882	36,555
Lennar Corp. Class A	1,352,347	13,104	The Estee Lauder Cos. Inc. Class A	1,112,756	36,354
Harman International Industries, Inc.	664,602	12,494	* Dean Foods Co.	1,695,829	32,543
* Office Depot, Inc.	2,636,426	12,022	SUPERVALU Inc.	2,030,442	26,294
Centex Corp.	1,191,460	10,080	^ Whole Foods Market, Inc.	1,345,384	25,535
KB Home	722,179	9,879	* Constellation Brands, Inc. Class A	1,886,135	23,916
Meredith Corp.	345,566	8,829	Hormel Foods Corp.	668,564	23,092
Gannett Co., Inc.	2,231,314	7,966			9,238,085
Eastman Kodak Co.	2,573,825	7,618			
New York Times Co. Class A	1,119,107	6,166			
CBS Corp. Class A	71,693	498			
* Viacom Inc. Class A	3,084	74			
		6,914,081	Energy (12.3%)		
Consumer Staples (11.9%)			ExxonMobil Corp.	46,798,591	3,271,689
The Procter & Gamble Co.	27,953,415	1,428,419	Chevron Corp.	19,225,733	1,273,705
Wal-Mart Stores, Inc.	21,402,278	1,036,726	Schlumberger Ltd.	11,474,188	620,868
The Coca-Cola Co.	19,093,698	916,307	ConocoPhillips Co.	14,208,935	597,628
Philip Morris International Inc.	18,812,506	820,602	Occidental Petroleum Corp.	7,773,955	511,604
PepsiCo, Inc.	14,930,440	820,577	Devon Energy Corp.	4,257,384	232,027
CVS Caremark Corp.	13,962,787	444,994	Apache Corp.	3,214,699	231,941
Kraft Foods Inc.	14,124,589	357,917	Anadarko Petroleum Corp.	4,787,711	217,314
Colgate-Palmolive Co.	4,791,195	338,929	XTO Energy, Inc.	5,557,493	211,963
Altria Group, Inc.	19,830,061	325,015	Marathon Oil Corp.	6,788,164	204,527
Walgreen Co.	9,511,174	279,629	Halliburton Co.	8,601,186	178,045
Kimberly-Clark Corp.	3,970,763	208,187	EOG Resources, Inc.	2,399,290	162,960
Costco Wholesale Corp.	4,160,808	190,149	Hess Corp.	2,727,606	146,609
General Mills, Inc.	3,155,211	176,755	* National Oilwell Varco Inc.	4,008,612	130,921
Archer-Daniels-Midland Co.	6,153,847	164,738	* Southwestern Energy Co.	3,294,475	127,990
The Kroger Co.	6,255,196	137,927	Baker Hughes Inc.	2,970,021	108,228
Sysco Corp.	5,657,758	127,186	Chesapeake Energy Corp.	5,402,603	107,134
Kellogg Co.	2,420,351	112,716	Spectra Energy Corp.	6,183,230	104,620
Lorillard, Inc.	1,612,936	109,309	Murphy Oil Corp.	1,828,682	99,334
H.J. Heinz Co.	3,015,353	107,648	Noble Energy, Inc.	1,661,875	98,001
Avon Products, Inc.	4,092,599	105,507	Valero Energy Corp.	5,331,551	90,050
Safeway, Inc.	4,110,482	83,731	Williams Cos., Inc.	5,561,286	86,812
ConAgra Foods, Inc.	4,284,977	81,672	Peabody Energy Corp.	2,562,349	77,280
The Clorox Co.	1,332,420	74,389	Range Resources Corp.	1,500,932	62,154
Sara Lee Corp.	6,666,230	65,062	El Paso Corp.	6,720,738	62,032
Reynolds American Inc.	1,620,168	62,571	* Cameron International Corp.	2,078,817	58,831
Molson Coors Brewing Co. Class B	1,436,327	60,800	CONSOL Energy, Inc.	1,730,746	58,776
The Hershey Co.	1,588,847	57,198	Diamond Offshore Drilling, Inc.	666,186	55,327
Campbell Soup Co.	1,915,351	56,350	Smith International, Inc.	2,101,365	54,110
J.M. Smucker Co.	1,135,549	55,256	ENSCO International, Inc.	1,359,795	47,416
* Dr. Pepper Snapple Group, Inc.	2,431,439	51,522	* FMC Technologies Inc.	1,183,340	44,470
Coca-Cola Enterprises, Inc.	3,040,503	50,624	* Nabors Industries, Inc.	2,712,866	42,266
			BJ Services Co.	2,800,325	38,168
			* Denbury Resources, Inc.	2,381,931	35,086
			Cabot Oil & Gas Corp.	991,320	30,374

500 Index Fund

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Pioneer Natural Resources Co.	1,112,488	28,368	The Principal Financial Group, Inc.	2,979,912	56,142
Sunoco, Inc.	1,120,134	25,987	HCP, Inc. REIT	2,613,520	55,381
Rowan Cos., Inc.	1,081,914	20,903	Unum Group	3,175,222	50,359
Tesoro Corp.	1,327,107	16,894	People's United Financial Inc.	3,338,840	50,216
Massey Energy Co.	819,143	16,006	Fifth Third Bancorp	7,036,806	49,961
		9,588,418	Lincoln National Corp.	2,838,321	48,848
Financials (13.4%)			Moody's Corp.	1,834,321	48,334
JPMorgan Chase & Co.	37,414,013	1,276,192	Host Hotels & Resorts Inc. REIT	5,759,786	48,325
Wells Fargo & Co.	44,653,371	1,083,291	Discover Financial Services	4,616,453	47,411
Bank of America Corp.	77,561,951	1,023,818	Plum Creek Timber Co. Inc. REIT	1,580,474	47,067
The Goldman Sachs Group, Inc.	4,828,101	711,855	* SLM Corp.	4,479,118	46,001
Morgan Stanley	12,963,560	369,591	Ventas, Inc. REIT	1,501,271	44,828
Bank of New York Mellon Corp.	11,465,192	336,045	Regions Financial Corp.	11,059,758	44,681
U.S. Bancorp	18,200,818	326,159	Avalonbay Communities, Inc. REIT	766,496	42,878
American Express Co.	11,388,298	264,664	^ M & T Bank Corp.	784,083	39,933
MetLife, Inc.	7,850,138	235,583	XL Capital Ltd. Class A	3,279,391	37,582
The Travelers Cos., Inc.	5,614,773	230,430	The Hartford Financial Services Group Inc.	3,118,460	37,016
State Street Corp.	4,735,450	223,513	* Leucadia National Corp.	1,737,999	36,654
CME Group, Inc.	636,454	198,007	Health Care Inc. REIT	1,066,022	36,351
PNC Financial Services Group	4,412,414	171,246	KeyCorp	6,778,583	35,520
Prudential Financial, Inc.	4,437,182	165,152	Cincinnati Financial Corp.	1,557,263	34,805
Charles Schwab Corp.	9,002,195	157,899	ProLogis REIT	4,244,109	34,208
AFLAC Inc.	4,482,138	139,350	Legg Mason Inc.	1,372,876	33,471
Simon Property Group, Inc. REIT	2,662,365	136,925	Kimco Realty Corp. REIT	3,099,239	31,147
BB&T Corp.	6,201,466	136,308	Comerica, Inc.	1,449,121	30,649
The Chubb Corp.	3,377,830	134,708	Torchmark Corp.	809,947	30,000
The Allstate Corp.	5,144,311	125,521	^ American International Group, Inc.	25,800,093	29,928
Northern Trust Corp.	2,311,018	124,055	Genworth Financial Inc.	4,150,788	29,014
Franklin Resources, Inc.	1,450,956	104,483	* Nasdaq OMX Group, Inc.	1,315,979	28,044
T. Rowe Price Group Inc.	2,453,719	102,246	Assurant, Inc.	1,128,755	27,192
Marsh & McLennan Cos., Inc.	5,011,800	100,888	First Horizon National Corp.	2,054,328	24,652
Aon Corp.	2,654,925	100,542	Huntington Bancshares Inc.	5,205,128	21,757
* Progressive Corp. of Ohio	6,531,777	98,695	* CB Richard Ellis Group, Inc.	2,265,717	21,207
Loews Corp.	3,461,278	94,839	Federated Investors, Inc.	858,207	20,674
Capital One Financial Corp.	4,333,868	94,825	Janus Capital Group Inc.	1,547,141	17,637
^ Citigroup Inc.	30,028,204	89,184	Marshall & Ilsley Corp.	3,373,469	16,193
* Intercontinental-Exchange Inc.	698,231	79,766	Zions Bancorp	1,106,267	12,788
Public Storage, Inc. REIT	1,201,876	78,699	*.^ E*TRADE Financial Corp.	9,514,107	12,178
SunTrust Banks, Inc.	4,453,523	73,260	Apartment Investment & Management Co. Class A REIT	1,122,617	9,935
Invesco, Ltd.	3,940,279	70,216	CIT Group Inc.	3,724,618	8,008
Vornado Realty Trust REIT	1,522,573	68,561	* MBIA, Inc.	1,640,079	7,102
NYSE Euronext	2,492,641	67,924			
Hudson City Bancorp, Inc.	5,006,155	66,532			
Boston Properties, Inc. REIT	1,328,628	63,376			
Ameriprise Financial, Inc.	2,442,744	59,285			
Equity Residential REIT	2,625,469	58,364			
					10,426,074

	Shares	Market Value* (\$000)	Shares	Market Value* (\$000)
Health Care (13.8%)				
Johnson & Johnson	26,427,162	1,501,063		
Pfizer Inc.	64,716,358	970,745		
Abbott Laboratories	14,821,808	697,218		
Wyeth	12,789,578	580,519		
Merck & Co., Inc.	20,223,333	565,444		
* Amgen Inc.	9,709,258	514,008		
* Gilead Sciences, Inc.	8,692,876	407,174		
Schering-Plough Corp.	15,616,730	392,292		
Bristol-Myers Squibb Co.	18,997,908	385,847		
Medtronic, Inc.	10,724,454	374,176		
Eli Lilly & Co.	9,697,500	335,921		
Baxter International, Inc.	5,802,626	307,307		
UnitedHealth Group Inc.	11,408,228	284,978		
* WellPoint Inc.	4,648,092	236,541		
* Celgene Corp.	4,414,587	211,194		
* Medco Health Solutions, Inc.	4,626,390	211,010		
* Express Scripts Inc.	2,599,576	178,721		
Becton, Dickinson & Co.	2,298,138	163,880		
* Thermo Fisher Scientific, Inc.	4,011,991	163,569		
* Boston Scientific Corp.	14,441,187	146,434		
* Genzyme Corp.	2,586,158	143,971		
Allergan, Inc.	2,948,235	140,277		
* St. Jude Medical, Inc.	3,321,882	136,529		
* Biogen Idec Inc.	2,766,269	124,897		
McKesson Corp.	2,603,266	114,544		
Aetna Inc.	4,286,299	107,372		
Cardinal Health, Inc.	3,453,962	105,519		
Stryker Corp.	2,284,517	90,787		
* Zimmer Holdings, Inc.	2,063,070	87,887		
Quest Diagnostics, Inc.	1,440,223	81,272		
* Forest Laboratories, Inc.	2,890,706	72,586		
C.R. Bard, Inc.	952,987	70,950		
* Laboratory Corp. of America Holdings	1,038,011	70,367		
* Life Technologies Corp.	1,674,681	69,868		
CIGNA Corp.	2,613,149	62,951		
* Intuitive Surgical, Inc.	363,136	59,431		
* Hospira, Inc.	1,538,552	59,265		
* Humana Inc.	1,626,267	52,463		
AmerisourceBergen Corp.	2,920,190	51,804		
* DaVita, Inc.	996,254	49,275		
* Waters Corp.	930,065	47,870		
DENTSPLY International Inc.	1,424,922	43,489		
* Varian Medical Systems, Inc.	1,201,981	42,238		
* Cephalon, Inc.	707,722	40,092		
* Mylan Inc.	2,921,753	38,129		
* Millipore Corp.	530,917	37,276		
* Watson Pharmaceuticals, Inc.	1,010,727	34,051		
* Coventry Health Care Inc.	1,421,259	26,592		
* King Pharmaceuticals, Inc.	2,377,803	22,898		
IMS Health, Inc.	1,741,643	22,119		
PerkinElmer, Inc.	1,116,282	19,423		
* Patterson Companies, Inc.	877,338	19,038		
* Tenet Healthcare Corp.	3,976,193	11,213		
				10,784,484
Industrials (9.7%)				
General Electric Co.	101,559,037	1,190,272		
United Parcel Service, Inc.	9,543,127	477,061		
United Technologies Corp.	9,033,586	469,385		
3M Co.	6,659,569	400,240		
The Boeing Co.	6,964,714	296,000		
Lockheed Martin Corp.	3,132,931	252,671		
Union Pacific Corp.	4,834,813	251,700		
Emerson Electric Co.	7,206,952	233,505		
Honeywell International Inc.	7,134,075	224,010		
General Dynamics Corp.	3,692,708	204,539		
Burlington Northern Santa Fe Corp.	2,670,532	196,391		
Caterpillar, Inc.	5,770,888	190,670		
FedEx Corp.	2,986,269	166,096		
Raytheon Co.	3,717,224	165,156		
Deere & Co.	4,054,624	161,982		
Danaher Corp.	2,444,410	150,918		
Northrop Grumman Corp.	3,100,998	141,654		
Illinois Tool Works, Inc.	3,684,956	137,596		
Waste Management, Inc.	4,718,795	132,881		
Norfolk Southern Corp.	3,518,641	132,547		
CSX Corp.	3,752,740	129,957		
PACCAR, Inc.	3,483,376	113,245		
Precision Castparts Corp.	1,343,397	98,108		
Fluor Corp.	1,724,930	88,472		
C.H. Robinson Worldwide Inc.	1,631,292	85,072		
ITT Industries, Inc.	1,745,662	77,682		
L3 Communications Holdings, Inc.	1,117,919	77,561		
Republic Services, Inc. Class A	3,085,756	75,323		
Eaton Corp.	1,587,620	70,824		
Cummins Inc.	1,934,913	68,128		
Expeditors International of Washington, Inc.	2,036,713	67,904		
Parker Hannifin Corp.	1,539,841	66,152		
Rockwell Collins, Inc.	1,519,249	63,398		
Goodrich Corp.	1,186,653	59,297		
Dover Corp.	1,782,781	58,992		
* Jacobs Engineering Group Inc.	1,184,202	49,843		
Cooper Industries, Inc. Class A	1,602,322	49,752		
* Iron Mountain, Inc.	1,727,635	49,670		
W.W. Grainger, Inc.	595,843	48,788		
Southwest Airlines Co.	7,096,741	47,761		

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Rockwell Automation, Inc.	1,359,456	43,666	* Cognizant Technology Solutions Corp.	2,801,928	74,811
Pitney Bowes, Inc.	1,978,360	43,385	Analog Devices, Inc.	2,791,164	69,165
* Quanta Services, Inc.	1,868,855	43,227	* Fiserv, Inc.	1,495,153	68,328
* Stericycle, Inc.	817,790	42,141	* Electronic Arts Inc.	3,096,242	67,250
The Dun & Bradstreet Corp.	511,903	41,572	* Agilent Technologies, Inc.	3,293,350	66,888
Fastenal Co.	1,239,069	41,100	* Sun Microsystems, Inc.	7,154,371	65,963
Flowserve Corp.	537,490	37,522	CA, Inc.	3,779,382	65,875
Robert Half International, Inc.	1,465,137	34,607	* Computer Sciences Corp.	1,452,053	64,326
Masco Corp.	3,447,278	33,025	* McAfee Inc.	1,488,440	62,797
Equifax, Inc.	1,212,063	31,635	* NetApp, Inc.	3,169,914	62,511
Pall Corp.	1,131,620	30,056	* BMC Software, Inc.	1,773,807	59,937
Cintas Corp.	1,259,216	28,760	* NVIDIA Corp.	5,239,052	59,149
Avery Dennison Corp.	1,080,439	27,746	* Citrix Systems, Inc.	1,735,066	55,331
Textron, Inc.	2,575,490	24,879	Xilinx, Inc.	2,641,686	54,049
R.R. Donnelley & Sons Co.	1,966,626	22,852	Xerox Corp.	8,288,360	53,709
Ryder System, Inc.	533,154	14,886	Amphenol Corp. Class A	1,641,428	51,935
* Monster Worldwide Inc.	1,227,364	14,495	* Western Digital Corp.	1,912,979	50,694
The Manitowoc Co., Inc.	1,250,980	6,580	Linear Technology Corp.	2,131,957	49,781
Ingersoll-Rand Co.	114,151	2,386	Altera Corp.	2,810,967	45,763
* Raytheon Co.			* Affiliated Computer Services, Inc. Class A	935,476	41,554
Warrants Exp. 6/16/11	60,569	568	* Autodesk, Inc.	2,188,239	41,533
		<u>7,586,291</u>	KLA-Tencor Corp.	1,628,681	41,124
Information Technology (18.2%)			* Micron Technology, Inc.	8,107,662	41,025
Microsoft Corp.	73,403,018	1,744,790	Microchip Technology, Inc.	1,753,313	39,537
International Business Machines Corp.	12,672,845	1,323,298	* Teradata Corp.	1,662,458	38,951
* Apple Inc.	8,555,780	1,218,600	* salesforce.com, inc.	1,018,343	38,870
* Cisco Systems, Inc.	55,316,767	1,031,105	* MEMC Electronic Materials, Inc.	2,142,758	38,163
* Google Inc.	2,302,818	970,845	Fidelity National Information Services, Inc.	1,834,685	36,620
Intel Corp.	53,562,942	886,467	Harris Corp.	1,281,342	36,339
Hewlett-Packard Co.	22,885,428	884,522	* VeriSign, Inc.	1,849,792	34,184
Oracle Corp.	36,323,022	778,039	* FLIR Systems, Inc.	1,445,190	32,603
QUALCOMM Inc.	15,872,611	717,442	* SanDisk Corp.	2,176,214	31,969
Texas Instruments, Inc.	12,213,339	260,144	* Akamai Technologies, Inc.	1,655,829	31,759
* EMC Corp.	19,306,162	252,911	* LSI Corp.	6,210,841	28,321
Corning, Inc.	14,907,947	239,422	Total System Services, Inc.	1,890,357	25,312
* Dell Inc.	16,678,655	228,998	National Semiconductor Corp.	1,868,505	23,450
* Yahoo! Inc.	13,378,217	209,503	* Tellabs, Inc.	3,788,080	21,706
* eBay Inc.	10,365,194	177,556	* Advanced Micro Devices, Inc.	5,365,491	20,764
Automatic Data Processing, Inc.	4,808,981	170,430	Molex, Inc.	1,327,384	20,641
Motorola, Inc.	21,976,107	145,702	* Compuware Corp.	2,361,107	16,197
* Adobe Systems, Inc.	5,024,011	142,179	* Novellus Systems, Inc.	937,106	15,650
Applied Materials, Inc.	12,779,103	140,187	Jabil Circuit, Inc.	2,047,272	15,191
* Symantec Corp.	7,871,016	122,473	* Novell, Inc.	3,295,024	14,926
* Juniper Networks, Inc.	5,015,353	118,362	* QLogic Corp.	1,159,960	14,708
MasterCard, Inc. Class A	694,340	116,170	* Tyco Electronics Ltd.	767,064	14,260
Western Union Co.	6,726,110	110,308	* JDS Uniphase Corp.	2,114,688	12,096
* Broadcom Corp.	4,099,589	101,629	* Lexmark International, Inc.	746,177	11,827
* Intuit, Inc.	3,098,626	87,257			
Paychex, Inc.	3,077,609	77,556			

500 Index Fund

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)	
* Teradyne, Inc.	1,656,770	11,365		Embarq Corp.	1,366,558	57,478
* Convergys Corp.	1,170,785	10,865		Windstream Corp.	4,227,023	35,338
* Ciena Corp.	868,938	8,993		* MetroPCS		
Molex, Inc. Class A	4,051	58		Communications Inc.	2,428,040	32,317
		14,214,718		CenturyTel, Inc.	968,244	29,725
Materials (3.2%)				Frontier		
Monsanto Co.	5,234,061	389,100		Communications Corp.	2,985,556	21,317
E.I. du Pont de Nemours & Co.	8,666,058	222,024				2,730,345
Praxair, Inc.	2,948,199	209,528		Utilities (4.1%)		
Freeport-McMoRan				Exelon Corp.	6,317,909	323,540
Copper & Gold, Inc. Class B	3,949,116	197,890		Southern Co.	7,504,169	233,830
Newmont Mining Corp. (Holding Co.)	4,693,974	191,843		FPL Group, Inc.	3,939,901	224,023
Dow Chemical Co.	10,314,138	166,470		Dominion Resources, Inc.	5,655,617	189,011
Nucor Corp.	3,014,084	133,916		Duke Energy Corp. Public Service	12,344,511	180,106
Air Products & Chemicals, Inc.	2,012,503	129,988		Enterprise Group, Inc.	4,851,037	158,289
Alcoa Inc.	9,344,457	96,528		Entergy Corp.	1,879,986	145,737
PPG Industries, Inc.	1,577,858	69,268		PG&E Corp.	3,531,400	135,747
Ecolab, Inc.	1,610,480	62,793		American Electric Power Co., Inc.	4,570,495	132,042
International Paper Co.	4,140,559	62,647		PPL Corp.	3,605,111	118,824
Weyerhaeuser Co.	2,024,443	61,604		Sempra Energy	2,341,978	116,232
Sigma-Aldrich Corp.	1,170,547	58,012		FirstEnergy Corp.	2,922,543	113,249
Vulcan Materials Co.	1,167,982	50,340		Progress Energy, Inc.	2,676,385	101,248
United States Steel Corp.	1,372,509	49,053		Consolidated Edison Inc.	2,630,678	98,440
* Owens-Illinois, Inc.	1,613,532	45,195		Edison International	3,122,527	98,235
Ball Corp.	901,635	40,718		Xcel Energy, Inc.	4,368,467	80,423
CF Industries Holdings, Inc.	463,813	34,387		* AES Corp.	6,394,295	74,238
Allegheny Technologies Inc.	939,849	32,829		Questar Corp.	1,668,771	51,832
Sealed Air Corp.	1,521,609	28,074		Ameren Corp.	2,047,549	50,964
* Pactiv Corp.	1,265,726	27,466		Constellation Energy Group, Inc.	1,909,281	50,749
MeadWestvaco Corp.	1,637,019	26,863		DTE Energy Co.	1,571,214	50,279
Eastman Chemical Co.	695,280	26,351		Wisconsin Energy Corp.	1,121,077	45,639
International Flavors & Fragrances, Inc.	754,178	24,677		EQT Corp.	1,254,757	43,804
Bemis Co., Inc.	957,845	24,138		Allegheny Energy, Inc.	1,624,482	41,668
AK Steel Holding Corp.	1,063,735	20,413		SCANA Corp.	1,168,097	37,928
Titanium Metals Corp.	813,265	7,474		Northeast Utilities	1,677,922	37,434
		2,489,589		CenterPoint Energy Inc.	3,348,568	37,102
Other (0.1%)				NiSource, Inc.	2,628,825	30,652
² Miscellaneous Securities		58,352		Pinnacle West Capital Corp.	967,893	29,182
				Pepco Holdings, Inc.	2,110,461	28,365
Telecommunication Services (3.5%)				CMS Energy Corp.	2,171,622	26,233
AT&T Inc.	56,583,751	1,405,540		TECO Energy, Inc.	2,040,521	24,343
Verizon				Integrus Energy Group, Inc.	731,758	21,945
Communications Inc.	27,242,545	837,163		Nicor Inc.	433,174	14,996
* Sprint Nextel Corp.	27,525,599	132,398		* Dynegy, Inc.	4,849,993	11,009
* American Tower Corp. Class A	3,812,531	120,209				3,157,338
Qwest Communications International Inc.	14,183,017	58,860				
				Total Common Stocks (Cost \$71,078,995)		77,187,775

	Shares	Market Value* (\$000)
Temporary Cash Investments (1.5%)¹		
Money Market Fund (1.4%)		
^{3,4} Vanguard Market Liquidity Fund, 0.395%	1,058,802,871	1,058,803
	Face Amount (\$000)	
U.S. Government and Agency Obligations (0.1%)		
^{5,6} Federal National Mortgage Assn., 0.541%, 7/30/09	20,000	19,997
^{5,6} Federal National Mortgage Assn., 0.371%, 8/3/09	18,000	17,998
^{5,6} Federal Home Loan Mortgage Corp., 0.597%, 8/24/09	23,000	22,995
^{5,6} Federal Home Loan Mortgage Corp., 0.592%, 8/26/09	20,000	19,995
		<u>80,985</u>
Total Temporary Cash Investments (Cost \$1,139,749)		1,139,788
Total Investments (100.6%) (Cost \$72,218,744)		78,327,563
Other Assets and Liabilities (-0.6%)		
Other Assets		297,143
Liabilities ⁴		(735,285)
		<u>(438,142)</u>
Net Assets (100%)		77,889,421

At June 30, 2009, net assets consisted of:

	Amount (\$000)
Paid-in Capital	79,630,663
Overdistributed Net Investment Income	(206,980)
Accumulated Net Realized Losses	(7,632,610)
Unrealized Appreciation (Depreciation)	
Investment Securities	6,108,819
Futures Contracts	(10,471)
Net Assets	77,889,421
Investor Shares—Net Assets	
Applicable to 477,552,950 outstanding \$0.01 par value shares of beneficial interest (unlimited authorization)	40,460,182
Net Asset Value Per Share—Investor Shares	\$84.72
Admiral Shares—Net Assets	
Applicable to 276,117,833 outstanding \$0.01 par value shares of beneficial interest (unlimited authorization)	23,394,623
Net Asset Value Per Share—Admiral Shares	\$84.73
Signal Shares—Net Assets	
Applicable to 200,525,713 outstanding \$0.01 par value shares of beneficial interest (unlimited authorization)	14,034,616
Net Asset Value Per Share—Signal Shares	\$69.99

• See Note A in Notes to Financial Statements.

* Non-income-producing security.

[^] Part of security position is on loan to broker-dealers. The total value of securities on loan is \$190,092,000.

¹ The fund invests a portion of its cash reserves in equity markets through the use of index futures contracts. After giving effect to futures investments, the fund's effective common stock and temporary cash investment positions represent 100.0% and 0.6%, respectively, of net assets.

² Securities representing up to 5% of the market value of unaffiliated securities are permitted to be combined and reported as "miscellaneous securities" provided that they have been held for less than one year and not previously reported by name.

³ Affiliated money market fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown is the 7-day yield.

⁴ Includes \$241,384,000 of collateral received for securities on loan.

⁵ The issuer operates under a congressional charter; its securities are not backed by the full faith and credit of the U.S. government.

⁶ Securities with a value of \$80,985,000 have been segregated as initial margin for open futures contracts.

REIT—Real Estate Investment Trust.

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Operations

	Six Months Ended June 30, 2009
	(\$000)
Investment Income	
Income	
Dividends	918,086
Interest ¹	2,382
Security Lending	33,715
Total Income	954,183
Expenses	
The Vanguard Group—Note B	
Investment Advisory Services	1,434
Management and Administrative—Investor Shares	24,903
Management and Administrative—Admiral Shares	5,817
Management and Administrative—Signal Shares	3,336
Marketing and Distribution—Investor Shares	5,460
Marketing and Distribution—Admiral Shares	2,964
Marketing and Distribution—Signal Shares	1,912
Custodian Fees	175
Shareholders' Reports and Proxies—Investor Shares	1,795
Shareholders' Reports and Proxies—Admiral Shares	151
Shareholders' Reports and Proxies—Signal Shares	54
Trustees' Fees and Expenses	66
Total Expenses	48,067
Net Investment Income	906,116
Realized Net Gain (Loss)	
Investment Securities Sold	149,762
Futures Contracts	31,043
Realized Net Gain (Loss)	180,805
Change in Unrealized Appreciation (Depreciation)	
Investment Securities	1,293,980
Futures Contracts	(24,847)
Change in Unrealized Appreciation (Depreciation)	1,269,133
Net Increase (Decrease) in Net Assets Resulting from Operations	2,356,054

¹ Interest income from an affiliated company of the fund was \$1,956,000.

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Changes in Net Assets

	Six Months Ended June 30, 2009	Year Ended December 31, 2008
	(\$000)	(\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	906,116	2,238,198
Realized Net Gain (Loss)	180,805	(2,030,619)
Change in Unrealized Appreciation (Depreciation)	1,269,133	(44,962,918)
Net Increase (Decrease) in Net Assets Resulting from Operations	2,356,054	(44,755,339)
Distributions		
Net Investment Income		
Investor Shares	(452,231)	(1,158,418)
Admiral Shares	(272,359)	(714,034)
Signal Shares	(163,398)	(420,262)
Realized Capital Gain		
Investor Shares	—	—
Admiral Shares	—	—
Signal Shares	—	—
Total Distributions	(887,988)	(2,292,714)
Capital Share Transactions		
Investor Shares	907,698	(445,693)
Admiral Shares	15,903	292,556
Signal Shares	611,724	214,326
Net Increase (Decrease) from Capital Share Transactions	1,535,325	61,189
Total Increase (Decrease)	3,003,391	(46,986,864)
Net Assets		
Beginning of Period	74,886,030	121,872,894
End of Period ¹	77,889,421	74,886,030

¹ Net Assets—End of Period includes undistributed (overdistributed) net investment income of (\$206,980,000) and (\$225,108,000).

See accompanying Notes, which are an integral part of the Financial Statements.

Financial Highlights

Investor Shares

For a Share Outstanding Throughout Each Period	Six Months Ended June 30,	Year Ended December 31,				
	2009	2008	2007	2006	2005	2004
Net Asset Value, Beginning of Period	\$83.09	\$135.15	\$130.59	\$114.92	\$111.64	\$102.67
Investment Operations						
Net Investment Income	.988	2.443	2.470	2.110	1.950	1.950
Net Realized and Unrealized Gain (Loss) on Investments	1.605	(51.998)	4.580	15.700	3.310	8.970
Total from Investment Operations	2.593	(49.555)	7.050	17.810	5.260	10.920
Distributions						
Dividends from Net Investment Income	(.963)	(2.505)	(2.490)	(2.140)	(1.980)	(1.950)
Distributions from Realized Capital Gains	—	—	—	—	—	—
Total Distributions	(.963)	(2.505)	(2.490)	(2.140)	(1.980)	(1.950)
Net Asset Value, End of Period	\$84.72	\$83.09	\$135.15	\$130.59	\$114.92	\$111.64
Total Return¹	3.21%	-37.02%	5.39%	15.64%	4.77%	10.74%
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	\$40,460	\$38,778	\$63,327	\$72,013	\$69,375	\$84,167
Ratio of Total Expenses to Average Net Assets	0.18% ²	0.16%	0.15%	0.18%	0.18%	0.18%
Ratio of Net Investment Income to Average Net Assets	2.51% ²	2.16%	1.81%	1.74%	1.75%	1.86%
Portfolio Turnover Rate ³	4% ²	6%	5%	5%	6%	3%

¹ Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

² Annualized.

³ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares. See accompanying Notes, which are an integral part of the Financial Statements.

Financial Highlights

Admiral Shares

For a Share Outstanding Throughout Each Period	Six Months Ended June 30,	Year Ended December 31,				
	2009	2008	2007	2006	2005	2004
Net Asset Value, Beginning of Period	\$83.09	\$135.15	\$130.59	\$114.92	\$111.64	\$102.68
Investment Operations						
Net Investment Income	1.023	2.534	2.583	2.222	2.052	2.030
Net Realized and Unrealized Gain (Loss) on Investments	1.615	(52.000)	4.576	15.700	3.310	8.970
Total from Investment Operations	2.638	(49.466)	7.159	17.922	5.362	11.000
Distributions						
Dividends from Net Investment Income	(.998)	(2.594)	(2.599)	(2.252)	(2.082)	(2.040)
Distributions from Realized Capital Gains	—	—	—	—	—	—
Total Distributions	(.998)	(2.594)	(2.599)	(2.252)	(2.082)	(2.040)
Net Asset Value, End of Period	\$84.73	\$83.09	\$135.15	\$130.59	\$114.92	\$111.64
Total Return	3.26%	-36.97%	5.47%	15.75%	4.87%	10.82%
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	\$23,395	\$23,009	\$37,113	\$46,467	\$38,028	\$22,412
Ratio of Total Expenses to Average Net Assets	0.09% ¹	0.08%	0.07%	0.09%	0.09%	0.09%
Ratio of Net Investment Income to Average Net Assets	2.60% ¹	2.24%	1.89%	1.83%	1.84%	1.96%
Portfolio Turnover Rate ²	4% ¹	6%	5%	5%	6%	3%

¹ Annualized.

² Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares. See accompanying Notes, which are an integral part of the Financial Statements.

Financial Highlights

Signal Shares

For a Share Outstanding Throughout Each Period	Six Months Ended June 30,	Year Ended December 31,		Sept. 29, 2006 ¹ to Dec. 31,
	2009	2008	2007	2006
Net Asset Value, Beginning of Period	\$68.64	\$111.64	\$107.86	\$101.61
Investment Operations				
Net Investment Income	.844	2.092	2.119	.502
Net Realized and Unrealized Gain (Loss) on Investments	1.330	(42.952)	3.794	6.287
Total from Investment Operations	2.174	(40.860)	5.913	6.789
Distributions				
Dividends from Net Investment Income	(.824)	(2.140)	(2.133)	(.539)
Distributions from Realized Capital Gains	—	—	—	—
Total Distributions	(.824)	(2.140)	(2.133)	(.539)
Net Asset Value, End of Period	\$69.99	\$68.64	\$111.64	\$107.86
Total Return	3.26%	-36.97%	5.47%	6.68%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$14,035	\$13,099	\$21,433	\$713
Ratio of Total Expenses to Average Net Assets	0.09% ²	0.08%	0.07%	0.09% ²
Ratio of Net Investment Income to Average Net Assets	2.60% ²	2.24%	1.89%	1.83% ²
Portfolio Turnover Rate ³	4% ²	6%	5%	5%

¹ Inception.

² Annualized.

³ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares. See accompanying Notes, which are an integral part of the Financial Statements.

Notes to Financial Statements

Vanguard 500 Index Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund offers three classes of shares: Investor Shares, Admiral Shares, and Signal Shares. Investor Shares are available to any investor who meets the fund's minimum purchase requirements. Admiral Shares are designed for investors who meet certain administrative, service, tenure, and account-size criteria. Signal Shares are designed for institutional investors who meet certain administrative, service, and account-size criteria.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. mutual funds. The fund consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Securities for which market quotations are not readily available, or whose values have been materially affected by events occurring before the fund's pricing time but after the close of the securities' primary markets, are valued by methods deemed by the board of trustees to represent fair value. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value. Temporary cash investments acquired over 60 days to maturity are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services. Other temporary cash investments are valued at amortized cost, which approximates market value.

2. **Futures Contracts:** The fund uses index futures contracts to a limited extent, with the objectives of maintaining full exposure to the stock market, enhancing returns, maintaining liquidity, and minimizing transaction costs. The fund may purchase futures contracts to immediately invest incoming cash in the market, or sell futures in response to cash outflows, thereby simulating a fully invested position in the underlying index while maintaining a cash balance for liquidity. The fund may seek to enhance returns by using futures contracts instead of the underlying securities when futures are believed to be priced more attractively than the underlying securities. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of stocks held by the fund and the prices of futures contracts, and the possibility of an illiquid market.

Futures contracts are valued at their quoted daily settlement prices. The aggregate principal amounts of the contracts are not recorded in the Statement of Net Assets. Fluctuations in the value of the contracts are recorded in the Statement of Net Assets as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized futures gains (losses).

3. **Federal Income Taxes:** The fund intends to continue to qualify as a regulated investment company and distribute all of its taxable income. Management has analyzed the fund's tax positions taken on federal income tax returns for all open tax years (tax years ended December 31, 2005–2008) and for the period ended June 30, 2009, and has concluded that no provision for federal income tax is required in the fund's financial statements.

4. **Distributions:** Distributions to shareholders are recorded on the ex-dividend date.

5. Security Lending: The fund may lend its securities to qualified institutional borrowers to earn additional income. Security loans are required to be secured at all times by collateral at least equal to the market value of securities loaned. The fund invests cash collateral received in Vanguard Market Liquidity Fund, and records a liability for the return of the collateral, during the period the securities are on loan. Security lending income represents the income earned on investing cash collateral, less expenses associated with the loan.

6. Other: Dividend income is recorded on the ex-dividend date. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

Each class of shares has equal rights as to assets and earnings, except that each class separately bears certain class-specific expenses related to maintenance of shareholder accounts (included in Management and Administrative expenses), shareholder reporting, and proxies. Marketing and distribution expenses are allocated to each class of shares based on a method approved by the board of trustees. Income, other non-class-specific expenses, and gains and losses on investments are allocated to each class of shares based on its relative net assets.

B. The Vanguard Group furnishes at cost investment advisory, corporate management, administrative, marketing, and distribution services. The costs of such services are allocated to the fund under methods approved by the board of trustees. The fund has committed to provide up to 0.40% of its net assets in capital contributions to Vanguard. At June 30, 2009, the fund had contributed capital of \$18,169,000 to Vanguard (included in Other Assets), representing 0.02% of the fund's net assets and 7.27% of Vanguard's capitalization. The fund's trustees and officers are also directors and officers of Vanguard.

C. Various inputs may be used to determine the value of the fund's investments. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

Level 2—Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3—Significant unobservable inputs (including the fund's own assumptions used to determine the fair value of investments).

The following table summarizes the fund's investments as of June 30, 2009, based on the inputs used to value them:

Investments	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)
Common Stocks	77,187,775	—	—
Temporary Cash Investments	1,058,803	80,985	—
Futures Contracts—Liabilities ¹	(4,715)	—	—
Total	78,241,863	80,985	—

¹ Represents variation margin on the last day of the reporting period.

D. At June 30, 2009, the aggregate settlement value of open futures contracts and the related unrealized appreciation (depreciation) were:

Futures Contracts	Expiration	Number of Long (Short) Contracts	(\$000)	
			Aggregate Settlement Value	Unrealized Appreciation (Depreciation)
S&P 500 Index	September 2009	3,041	696,009	(10,471)

Unrealized appreciation (depreciation) on open futures contracts is required to be treated as realized gain (loss) for tax purposes.

E. Distributions are determined on a tax basis and may differ from net investment income and realized capital gains for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. Differences in classification may also result from the treatment of short-term gains as ordinary income for tax purposes.

During the six months ended June 30, 2009, the fund realized \$107,028,000 of net capital gains resulting from in-kind redemptions—in which shareholders exchanged fund shares for securities held by the fund rather than for cash. Because such gains are not taxable to the fund, and are not distributed to shareholders, they have been reclassified from accumulated net realized losses to paid-in capital.

The fund's tax-basis capital gains and losses are determined only at the end of each fiscal year. For tax purposes, at December 31, 2008, the fund had available realized losses of \$7,386,974,000 to offset future net capital gains of \$430,361,000 through December 31, 2009, \$3,087,963,000 through December 31, 2010, \$145,498,000 through December 31, 2011, \$44,874,000 through December 31, 2012, \$757,853,000 through December 31, 2013, \$1,156,455,000 through December 31, 2014, and \$1,763,970,000 through December 31, 2016. The fund will use these capital losses to offset net taxable capital gains, if any, realized during the year ending December 31, 2009; should the fund realize net capital losses for the year, the losses will be added to the loss carryforward balances above.

At June 30, 2009, the cost of investment securities for tax purposes was \$72,218,744,000. Net unrealized appreciation of investment securities for tax purposes was \$6,108,819,000, consisting of unrealized gains of \$23,270,432,000 on securities that had risen in value since their purchase and \$17,161,613,000 in unrealized losses on securities that had fallen in value since their purchase.

F. During the six months ended June 30, 2009, the fund purchased \$3,054,481,000 of investment securities and sold \$1,654,625,000 of investment securities, other than temporary cash investments.

G. Capital share transactions for each class of shares were:

	Six Months Ended June 30, 2009		Year Ended December 31, 2008	
	Amount (\$000)	Shares (000)	Amount (\$000)	Shares (000)
Investor Shares				
Issued	3,856,354	49,542	8,623,602	79,879
Issued in Lieu of Cash Distributions	438,117	5,532	1,121,903	10,825
Redeemed	(3,386,773)	(44,223)	(10,191,198)	(92,585)
Net Increase (Decrease)—Investor Shares	907,698	10,851	(445,693)	(1,881)
Admiral Shares				
Issued	1,571,375	20,105	4,245,265	40,714
Issued in Lieu of Cash Distributions	237,853	3,003	627,499	6,044
Redeemed	(1,793,325)	(23,909)	(4,580,208)	(44,442)
Net Increase (Decrease)—Admiral Shares	15,903	(801)	292,556	2,316
Signal Shares				
Issued	2,185,591	34,291	5,268,980	58,305
Issued in Lieu of Cash Distributions	147,356	2,253	386,239	4,497
Redeemed	(1,721,223)	(26,855)	(5,440,893)	63,953
Net Increase (Decrease)—Signal Shares	611,724	9,689	214,326	(1,151)

H. In preparing the financial statements as of June 30, 2009, management considered the impact of subsequent events occurring through August 5, 2009, for potential recognition or disclosure in these financial statements.

About Your Fund's Expenses

As a shareholder of the fund, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a fund's gross income, directly reduce the investment return of the fund.

A fund's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your fund and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The accompanying table illustrates your fund's costs in two ways:

- **Based on actual fund return.** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the fund's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the fund. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for your fund under the heading "Expenses Paid During Period."

- **Based on hypothetical 5% yearly return.** This section is intended to help you compare your fund's costs with those of other mutual funds. It assumes that the fund had a yearly return of 5% before expenses, but that the expense ratio is unchanged. In this case—because the return used is not the fund's actual return—the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess your fund's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Six Months Ended June 30, 2009

	Beginning Account Value 12/31/2008	Ending Account Value 6/30/2009	Expenses Paid During Period ¹
500 Index Fund			
Based on Actual Fund Return			
Investor Shares	\$1,000.00	\$1,032.06	\$0.91
Admiral Shares	1,000.00	1,032.63	0.45
Signal Shares	1,000.00	1,032.55	0.45
Based on Hypothetical 5% Yearly Return			
Investor Shares	\$1,000.00	\$1,023.90	\$0.90
Admiral Shares	1,000.00	1,024.35	0.45
Signal Shares	1,000.00	1,024.35	0.45

¹ The calculations are based on expenses incurred in the most recent six-month period. The fund's annualized six-month expense ratios for that period are 0.18% for Investor Shares, 0.09% for Admiral Shares and 0.09% for Signal Shares. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period.

Note that the expenses shown in the table are meant to highlight and help you compare *ongoing* costs only and do not reflect transaction costs incurred by the fund for buying and selling securities. Further, the expenses do not include the account service fee described in the prospectus. If such a fee were applied to your account, your costs would be higher. Your fund does not charge transaction fees, such as purchase or redemption fees, nor does it carry a "sales load."

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

You can find more information about the fund's expenses, including annual expense ratios, in the Financial Statements section of this report. For additional information on operating expenses and other shareholder costs, please refer to your fund's current prospectus.

Trustees Approve Advisory Arrangement

The board of trustees of Vanguard 500 Index Fund has renewed the fund's investment advisory arrangement with The Vanguard Group, Inc. Vanguard—through its Quantitative Equity Group—serves as the investment advisor for the fund. The board determined that continuing the fund's internalized management structure was in the best interests of the fund and its shareholders.

The board based its decision upon an evaluation of the advisor's investment staff, portfolio management process, and performance. The trustees considered the factors discussed below, among others. However, no single factor determined whether the board approved the arrangement. Rather, it was the totality of the circumstances that drove the board's decision.

Nature, extent, and quality of services

The board considered the quality of the fund's investment management over both the short and long term, and took into account the organizational depth and stability of the advisor. The board noted that Vanguard has been managing investments for more than three decades. The Quantitative Equity Group adheres to a sound, disciplined investment management process; the team has considerable experience, stability, and depth.

The board concluded that Vanguard's experience, stability, depth, and performance, among other factors, warranted continuation of the advisory arrangement.

Investment performance

The board considered the short- and long-term performance of the fund, including any periods of outperformance or underperformance of its target index and peer group. The board concluded that the fund has performed in line with expectations, and that its results have been consistent with its investment strategies. Information about the fund's most recent performance can be found in the Performance Summary section of this report.

Cost

The board concluded that the fund's expense ratio was well below the average expense ratio charged by funds in its peer group. The board noted that the fund's advisory expense ratio was also well below its peer-group average. Information about the fund's expense ratio appears in the About Your Fund's Expenses section of this report as well as in the Financial Statements section.

The board does not conduct a profitability analysis of Vanguard because of Vanguard's unique "at-cost" structure. Unlike most other mutual fund management companies, Vanguard is owned by the funds it oversees and produces "profits" only in the form of reduced expenses for fund shareholders.

The benefit of economies of scale

The board concluded that the fund's low-cost arrangement with Vanguard ensures that the fund will realize economies of scale as it grows, with the cost to shareholders declining as fund assets increase.

The board will consider whether to renew the advisory arrangement again after a one-year period.

Glossary

Beta. A measure of the magnitude of a fund's past share-price fluctuations in relation to the ups and downs of a given market index. The index is assigned a beta of 1.00. Compared with a given index, a fund with a beta of 1.20 typically would have seen its share price rise or fall by 12% when the index rose or fell by 10%. For this report, beta is based on returns over the past 36 months for both the fund and the index. Note that a fund's beta should be reviewed in conjunction with its R-squared (see definition). The lower the R-squared, the less correlation there is between the fund and the index, and the less reliable beta is as an indicator of volatility.

Earnings Growth Rate. The average annual rate of growth in earnings over the past five years for the stocks now in a fund.

Equity Exposure. A measure that reflects a fund's investments in stocks and stock futures. Any holdings in short-term reserves are excluded.

Expense Ratio. The percentage of a fund's average net assets used to pay its annual administrative and advisory expenses. These expenses directly reduce returns to investors.

Foreign Holdings. The percentage of a fund represented by stocks or depositary receipts of companies based outside the United States.

Inception Date. The date on which the assets of a fund (or one of its share classes) are first invested in accordance with the fund's investment objective. For funds with a subscription period, the inception date is the day after that period ends. Investment performance is measured from the inception date.

Median Market Cap. An indicator of the size of companies in which a fund invests; the midpoint of market capitalization (market price x shares outstanding) of a fund's stocks, weighted by the proportion of the fund's assets invested in each stock. Stocks representing half of the fund's assets have market capitalizations above the median, and the rest are below it.

Price/Book Ratio. The share price of a stock divided by its net worth, or book value, per share. For a fund, the weighted average price/book ratio of the stocks it holds.

Price/Earnings Ratio. The ratio of a stock's current price to its per-share earnings over the past year. For a fund, the weighted average P/E of the stocks it holds. P/E is an indicator of market expectations about corporate prospects; the higher the P/E, the greater the expectations for a company's future growth.

R-Squared. A measure of how much of a fund's past returns can be explained by the returns from the market in general, as measured by a given index. If a fund's total returns were precisely synchronized with an index's returns, its R-squared would be 1.00. If the fund's returns bore no relationship to the index's returns, its R-squared would be 0. For this report, R-squared is based on returns over the past 36 months for both the fund and the index.

Return on Equity. The annual average rate of return generated by a company during the past five years for each dollar of shareholder's equity (net income divided by shareholder's equity). For a fund, the weighted average return on equity for the companies whose stocks it holds.

Short-Term Reserves. The percentage of a fund invested in highly liquid, short-term securities that can be readily converted to cash.

Turnover Rate. An indication of the fund's trading activity. Funds with high turnover rates incur higher transaction costs and may be more likely to distribute capital gains (which may be taxable to investors). The turnover rate excludes in-kind transactions, which have minimal impact on costs.

Yield. A fund's 30-day SEC yield is derived using a formula specified by the U.S. Securities and Exchange Commission. Under the formula, data related to the fund's security holdings in the previous 30 days are used to calculate the fund's hypothetical net income for that period, which is then annualized and divided by the fund's estimated average net assets over the calculation period. For the purposes of this calculation, a security's income is based on its current market yield to maturity (in the case of bonds) or its projected dividend yield (for stocks). Because the SEC yield represents hypothetical annualized income, it will differ—at times significantly—from the fund's actual experience. As a result, the fund's income distributions may be higher or lower than implied by the SEC yield.

The People Who Govern Your Fund

The trustees of your mutual fund are there to see that the fund is operated and managed in your best interests since, as a shareholder, you are a part owner of the fund. Your fund's trustees also serve on the board of directors of The Vanguard Group, Inc., which is owned by the Vanguard funds and provides services to them on an at-cost basis.

A majority of Vanguard's board members are independent, meaning that they have no affiliation with Vanguard or the funds they oversee, apart from the sizable personal investments they have made as private individuals. The independent board members have distinguished backgrounds in business, academia, and public service. Each of the trustees and executive officers oversees 157 Vanguard funds.

The following table provides information for each trustee and executive officer of the fund. More information about the trustees is in the *Statement of Additional Information*, which can be obtained, without charge, by contacting Vanguard at 800-662-7447, or online at www.vanguard.com.

Interested Trustees

John J. Brennan¹

Born 1954. Trustee Since May 1987. Chairman of the Board. Principal Occupation(s) During the Past Five Years: Chairman of the Board and Director/Trustee of The Vanguard Group, Inc., and of each of the investment companies served by The Vanguard Group; Chief Executive Officer and President of The Vanguard Group and of each of the investment companies served by The Vanguard Group (1996–2008); Chairman of the Financial Accounting Foundation; Governor of the Financial Industry Regulatory Authority (FINRA); Director of United Way of Southeastern Pennsylvania.

F. William McNabb III¹

Born 1957. Trustee Since July 2009. Principal Occupation(s) During the Past Five Years: Director of The Vanguard Group, Inc., since 2008; Chief Executive Officer and President of The Vanguard Group and of each of the investment companies served by The Vanguard Group since 2008; Director of Vanguard Marketing Corporation; Managing Director of The Vanguard Group (1995–2008).

Independent Trustees

Charles D. Ellis

Born 1937. Trustee Since January 2001. Principal Occupation(s) During the Past Five Years: Applecore Partners (pro bono ventures in education); Senior Advisor to Greenwich Associates (international business strategy consulting); Successor Trustee of Yale University; Overseer of the Stern School of Business at New York University; Trustee of the Whitehead Institute for Biomedical Research.

Emerson U. Fullwood

Born 1948. Trustee Since January 2008. Principal Occupation(s) During the Past Five Years: Retired Executive Chief Staff and Marketing Officer for North America and Corporate Vice President of Xerox Corporation (photocopiers and printers); Director of SPX Corporation (multi-industry manufacturing), the United Way of Rochester, the Boy Scouts of America, Amerigroup Corporation (direct health and medical insurance carriers), and Monroe Community College Foundation.

Rajiv L. Gupta

Born 1945. Trustee Since December 2001.² Principal Occupation(s) During the Past Five Years: Retired Chairman and Chief Executive Officer of Rohm and Haas Co. (chemicals); President of Rohm and Haas Co. (2006–2008); Board Member of American Chemistry Council; Director of Tyco International, Ltd. (diversified manufacturing and services) and Hewlett-Packard Co. (electronic computer manufacturing); Trustee of The Conference Board.

Amy Gutmann

Born 1949. Trustee Since June 2006. Principal Occupation(s) During the Past Five Years: President of the University of Pennsylvania; Christopher H. Browne Distinguished Professor of Political Science in the School of Arts and Sciences with Secondary Appointments at the Annenberg School for Communication and the Graduate School of Education of the University of Pennsylvania; Director of Carnegie Corporation of New York, Schuylkill River Development Corporation, and Greater Philadelphia Chamber of Commerce; Trustee of the National Constitution Center.

JoAnn Heffernan Heisen

Born 1950. Trustee Since July 1998. Principal Occupation(s) During the Past Five Years: Retired Corporate Vice President, Chief Global Diversity Officer, and Member of the Executive Committee of Johnson & Johnson (pharmaceuticals/consumer products); Vice President and Chief Information Officer of Johnson & Johnson (1997–2005); Director of the University Medical Center at Princeton and Women’s Research and Education Institute.

André F. Perold

Born 1952. Trustee Since December 2004. Principal Occupation(s) During the Past Five Years: George Gund Professor of Finance and Banking, Harvard Business School; Director and Chairman of UNX, Inc. (equities trading firm); Chair of the Investment Committee of HighVista Strategies LLC (private investment firm).

Alfred M. Rankin, Jr.

Born 1941. Trustee Since January 1993. Principal Occupation(s) During the Past Five Years: Chairman, President, Chief Executive Officer, and Director of NACCO Industries, Inc. (forklift trucks/housewares/lignite); Director of Goodrich Corporation (industrial products/aircraft systems and services).

Peter F. Volanakis

Born 1955. Trustee Since July 2009. Principal Occupations During the Past Five Years: President since 2007 and Chief Operating Officer since 2005 of Corning Incorporated (communications equipment); President of Corning Technologies (2001–2005); Director of Corning Incorporated and Dow Corning; Trustee of the Corning Incorporated Foundation and the Corning Museum of Glass; Overseer of the Amos Tuck School of Business Administration at Dartmouth College.

Executive Officers

Thomas J. Higgins¹

Born 1957. Chief Financial Officer Since September 2008. Principal Occupation(s) During the Past Five Years: Principal of The Vanguard Group, Inc.; Chief Financial Officer of each of the investment companies served by The Vanguard Group since 2008; Treasurer of each of the investment companies served by The Vanguard Group (1998–2008).

Kathryn J. Hyatt¹

Born 1955. Treasurer Since November 2008. Principal Occupation(s) During the Past Five Years: Principal of The Vanguard Group, Inc.; Treasurer of each of the investment companies served by The Vanguard Group since 2008; Assistant Treasurer of each of the investment companies served by The Vanguard Group (1988–2008).

Heidi Stam¹

Born 1956. Secretary Since July 2005. Principal Occupation(s) During the Past Five Years: Managing Director of The Vanguard Group, Inc., since 2006; General Counsel of The Vanguard Group since 2005; Secretary of The Vanguard Group and of each of the investment companies served by The Vanguard Group since 2005; Director and Senior Vice President of Vanguard Marketing Corporation since 2005; Principal of The Vanguard Group (1997–2006).

Vanguard Senior Management Team

R. Gregory Barton	Michael S. Miller
Mortimer J. Buckley	James M. Norris
Kathleen C. Gubanich	Glenn W. Reed
Paul A. Heller	George U. Sauter

Founder

John C. Bogle

Chairman and Chief Executive Officer, 1974–1996

¹ These individuals are “interested persons” as defined in the Investment Company Act of 1940.

² December 2002 for Vanguard Equity Income Fund, Vanguard Growth Equity Fund, the Vanguard Municipal Bond Funds, and the Vanguard State Tax-Exempt Funds.



Vanguard®

P.O. Box 2600
Valley Forge, PA 19482-2600

Connect with Vanguard® > www.vanguard.com

Fund Information > 800-662-7447

Direct Investor Account Services > 800-662-2739

Institutional Investor Services > 800-523-1036

Text Telephone for People

With Hearing Impairment > 800-952-3335

This material may be used in conjunction with the offering of shares of any Vanguard fund only if preceded or accompanied by the fund's current prospectus.

Standard & Poor's 500®, *S&P 500®*, and *500* are trademarks of The McGraw-Hill Companies, Inc., and have been licensed for use by The Vanguard Group, Inc. Vanguard mutual funds are not sponsored, endorsed, sold, or promoted by Standard & Poor's, and Standard & Poor's makes no representation regarding the advisability of investing in the funds.

All comparative mutual fund data are from Lipper Inc. or Morningstar, Inc., unless otherwise noted.

You can obtain a free copy of Vanguard's proxy voting guidelines by visiting our website, www.vanguard.com, and searching for "proxy voting guidelines," or by calling Vanguard at 800-662-2739. The guidelines are also available from the SEC's website, www.sec.gov. In addition, you may obtain a free report on how your fund voted the proxies for securities it owned during the 12 months ended June 30. To get the report, visit either www.vanguard.com or www.sec.gov.

You can review and copy information about your fund at the SEC's Public Reference Room in Washington, D.C. To find out more about this public service, call the SEC at 202-551-8090. Information about your fund is also available on the SEC's website, and you can receive copies of this information, for a fee, by sending a request in either of two ways: via e-mail addressed to publicinfo@sec.gov or via regular mail addressed to the Public Reference Section, Securities and Exchange Commission, Washington, DC 20549-0102.

© 2009 The Vanguard Group, Inc.
All rights reserved.
Vanguard Marketing Corporation, Distributor.

Q402 082009