

Vanguard Growth Index

Overall Morningstar Rating™ ★★ ★
Morningstar Return Average
Morningstar Risk Below Average
 Out of 1488 Large Growth funds. **An investment's overall Morningstar Rating, based on its risk-adjusted return, is a weighted average of its applicable 3-, 5-, and 10-year Ratings. See disclosure for more detail.**

Investment Strategy from investment's prospectus

The investment seeks to track the performance of a benchmark index that measures the investment return of large-capitalization growth stocks.

The fund employs a passive management investment approach designed to track the performance of the MSCI US Prime Market Growth index, a broadly diversified index of growth stocks of large U.S. companies. It attempts to replicate the target index by investing all, or substantially all, of assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

Category Description: Large Growth

Large-growth funds invest in big companies that are projected to grow faster than other large-cap stocks. Most of these funds focus on companies in rapidly expanding industries.

Broad Asset Class: Large Cap Stocks

Shares of ownership in large corporations.

Notes

This material is authorized for client use only when preceded or accompanied by a Disclosure Statement, a product prospectus (variable annuity only), a fund prospectus and/or informational brochure containing more complete information. These can be obtained from your investment professional and should be read carefully before investing or sending money.

NOT A DEPOSIT – NOT FDIC INSURED – NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY – NOT GUARANTEED BY THE INSTITUTION – MAY GO DOWN IN VALUE

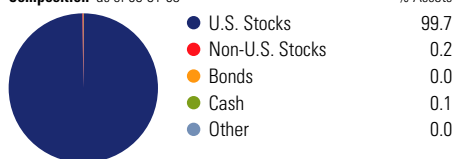
The Broad Asset Class identifies a fund's investment style. The Broad Asset Class was developed by Nationwide in conjunction with Ibbotson Associates for asset allocation. Asset Allocation does not assure a profit or guarantee against a loss in a declining market.

Morningstar Proprietary Statistics

	YTD	1-Year	3-Year	5-Year	10-Year
Morningstar Rating	—	—	★★★	★★★	★★★
Fund Rank Percentile	21	35	39	49	56
Out of # of Investments	1,875	1,786	1,488	1,215	589

Portfolio Analysis as of 03-31-08

Composition as of 03-31-08



Top 15 Holdings as of 03-31-08

Company	% Assets
Microsoft Corporation	3.69
International Business Machines Corp	2.45
Cisco Systems, Inc.	2.26
Wal-Mart Stores, Inc.	1.95
Apple, Inc.	1.94
Intel Corporation	1.91
Hewlett-Packard Company	1.82
PepsiCo, Inc.	1.79
Procter & Gamble Company	1.68
Schlumberger, Ltd.	1.61
Google, Inc.	1.60
Oracle Corporation	1.24
Qualcomm, Inc.	1.04
United Technologies	1.00
Monsanto Company	0.94
Total Number of Stock Holdings	424
Total Number of Bond Holdings	0
Annual Turnover Ratio %	23
Total Fund Assets (\$mil)	12,912.5

Risk Classification as of 06-30-08

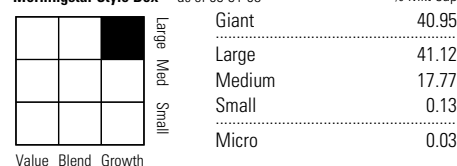
An investment's risk classification corresponds with the following ranges of standard deviation.

I	II	III	IV	V	VI
I	Lowest: Money Market and Stable Value Funds				
II	Very Low: 0.00-3.46				
III	Low: 3.47-5.21				
IV	Moderate: 5.22-9.95				
V	High: 9.96-13.50				
VI	Very High: 13.51 and above				

Standard Deviation is a statistical measurement of dispersion about an average, which depicts how widely the returns varied over a certain period of time. When a fund has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

Morningstar provides standard deviation and Nationwide provides the ranges.

Morningstar Style Box™ as of 03-31-08



Statistics as of 03-31-08

Statistic	Port Avg	Rel S&P 500	Rel Cat
P/E Ratio	16.00	1.19	0.95
P/B Ratio	3.15	1.51	1.00
P/C Ratio	8.39	0.98	0.82
GeoAvgCap (\$mil)	35,193.24	0.74	1.05

Risk Measures as of 06-30-08

Metric	Port Avg	Rel S&P 500	Rel Cat
3 Yr Std Dev	10.76	0.69	0.87
3 Yr Beta	0.99	—	0.93
3 Yr Sharpe Ratio	0.25	-1.00	1.39
3 Yr Alpha	2.00	—	1.28
3 Yr R-squared	88.22	—	1.11

Morningstar Sectors as of 03-31-08

Sector	Fund%	S&P 500%
Information	30.13	20.44
Software	7.46	4.00
Hardware	17.54	10.16
Media	4.42	2.95
Telecommunication	0.71	3.33
Service	37.77	37.62
Healthcare Service	12.17	11.94
Consumer Service	10.93	6.95
Business Service	7.27	4.66
Financial Service	7.40	14.07
Manufacturing	32.11	41.96
Consumer Goods	7.46	9.08
Industrial Materials	14.18	12.65
Energy	9.72	16.35
Utilities	0.75	3.88

Operations

Net Annual Rpt Exp Ratio	0.22% of fund assets
Gross Prospectus Exp Ratio	0.22% of fund assets
Fund Inception Date	11-02-92
Initial Share Class	11-02-92
Inception Date	
Advisor	The Vanguard Group
Subadvisor	—

Portfolio Manager(s)

Gerard C. O'Reilly, B.S., Villanova U. Since 1994.