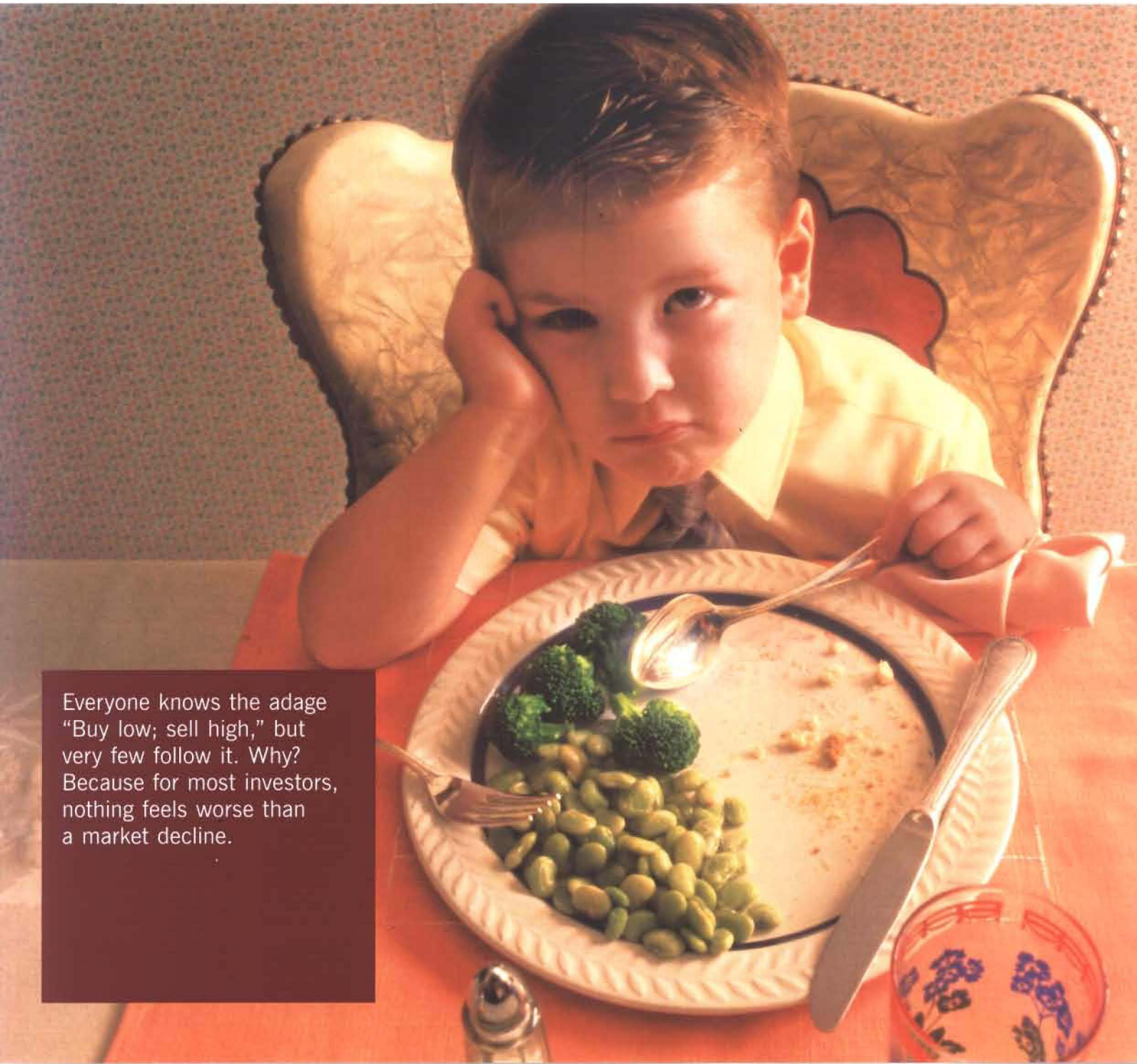


This is what buying low feels like



Everyone knows the adage "Buy low; sell high," but very few follow it. Why? Because for most investors, nothing feels worse than a market decline.

Figures shown are past results for Class A shares and are not predictive of results in future periods. Current and future results may be lower or higher than those shown. Share prices and returns will vary, so investors may lose money. Investing for short periods make losses more likely. Unless otherwise indicated, results shown are at net asset value with all distributions reinvested. If the applicable 5.75% Class A sales charge had been deducted, results would have been lower. For current information and month-end results, visit americanfunds.com.

Follow your head instead of your stomach

No matter how many times you've heard how good buying low may be for your portfolio over the long haul, investing when the market gets rough can be hard to stomach. History, however, shows that investors who view declines as opportunities can be rewarded with healthy long-term results.

A disciplined strategy

At American Funds, our commitment to generating consistent long-term results and attention to volatility have helped shareholders not only withstand declines but build their investments as the market recovers. To help illustrate the potential benefits of buying low, we compared the hypothetical results of three common investor actions during the 12 significant market declines from 1950 through 2002.

- **Buying low:** As the table below shows, hypothetical investments made at the market low and held for five years in American Mutual Fund[®], The Investment Company of America[®] and Washington Mutual Investors Fund[®] — the three American Funds in existence during all 12 market declines — had positive five-year returns 100% of the time and doubled in value more than 50% of the time.
- **Moving into — or staying in — cash at the low:** Results for similar hypothetical investments in cash were far less robust. In fact, half the time the ending value was less than \$13,000, and more than 90% of the time the ending value was less than \$15,000.
- **Buying high:** Conversely, hypothetical investments made in the same three American Funds at the market high — the time when most people are hungry to invest — and held five years after the market low at least doubled just three times.

Buying low				
	Number of times a \$10,000 hypothetical investment made on the market low during the 12 significant stock market declines* and held for five years would have ...			
	... generated a positive total return	... doubled	... tripled	... outpaced Standard & Poor's 500 Composite Index
American Mutual Fund	12	7	1	7
The Investment Company of America	12	8	1	8
Washington Mutual Investors Fund	12	8	1	9
Cash [†]	12	0	0	1

*As measured by the unmanaged S&P 500, a broad measure of the U.S. stock market. Major stock market declines are defined as a decline in price of 15% or more (without dividends reinvested).

[†] Source for cash: Ibbotson U.S. Treasury Bills.

Equity investments are subject to market fluctuations.

Below are the funds' average annual total returns with all distributions reinvested for periods ended **3/31/08**, assuming payment of the **5.75%** maximum sales charge for Class A shares at the beginning of the stated periods:

	1 year	5 years	10 years	Gross expense ratio
American Mutual Fund	-11.19%	9.34%	4.90%	0.58%
The Investment Company of America	-10.07	10.32	5.47	0.56
Washington Mutual Investors Fund	-10.67	9.90	4.45	0.60

The funds' investment adviser and the business manager for Washington Mutual Investors Fund are waiving a portion of their management fees. Results shown reflect the waivers, without which they would have been lower. The gross expense ratio is as of each fund's most recent fiscal year-end date and does not reflect the waivers; therefore, the actual expense ratios for each fund are lower than the amounts shown. Please see each fund's most recent shareholder report or prospectus for details.

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so you may lose money. Investors should carefully consider the investment objectives, risks, charges and expenses of the American Funds. This and other important information is contained in each fund's prospectus, which can be obtained from a financial professional and should be read carefully before investing. This piece must be preceded or accompanied by prospectuses for the three American Funds shown. If used after 6/30/08, this sheet must be accompanied by a current American Funds quarterly statistical update.

The Capital Group Companies

American Funds Capital Research and Management Capital International Capital Guardian Capital Bank and Trust