

Davis Financial Fund 25th Anniversary Update



Overall Rating. 92 funds in the Financial category. Based on risk-adjusted returns.

Best of breed financial businesses to help our shareholders build wealth

► The Davis Difference

- Davis Financial Fund has outperformed the S&P 500® Index and S&P 500® Financials Index since inception in 1991.¹
- Davis Financial Fund has grown to more than double the value of the Financial Select Sector SPDR® ETF (XLF) since XLF's inception in 1998.²
- Currently, financial stocks are underappreciated and out of favor with investors, offering an attractive long-term investment opportunity.
- Selectivity and active management are the keys to outperformance in the vast, inefficient financial sector. Investing in stronger companies and avoiding weaker ones can make a significant difference in investor returns.

- Chris Davis has almost 30 years experience investing in financial stocks and started Davis Financial Fund in 1991.
- We are the largest shareholder in the Fund.³

► Symbols

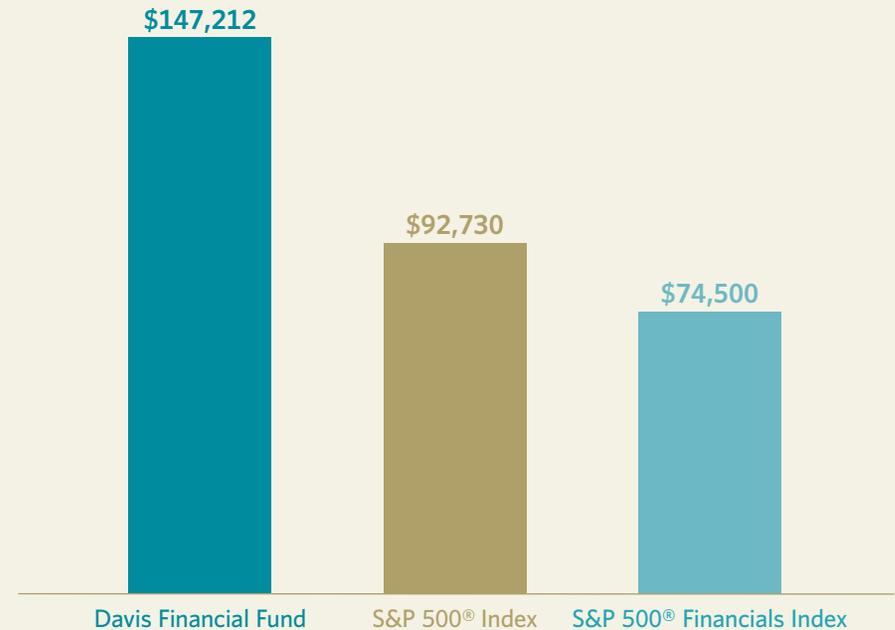
A Shares	RPFGX
C Shares	DFFCX
Y Shares	DVFYX

► Lower Expenses

Expense Ratio (CI-A) ⁴ vs. Lipper Category Average	0.86% vs. 1.83%
Expense Ratio (CI-Y) ⁴ vs. Lipper Category Average	0.71% vs. 1.83%

Davis Financial Fund History of Outperformance

Growth of \$10,000 Investment Since Inception¹

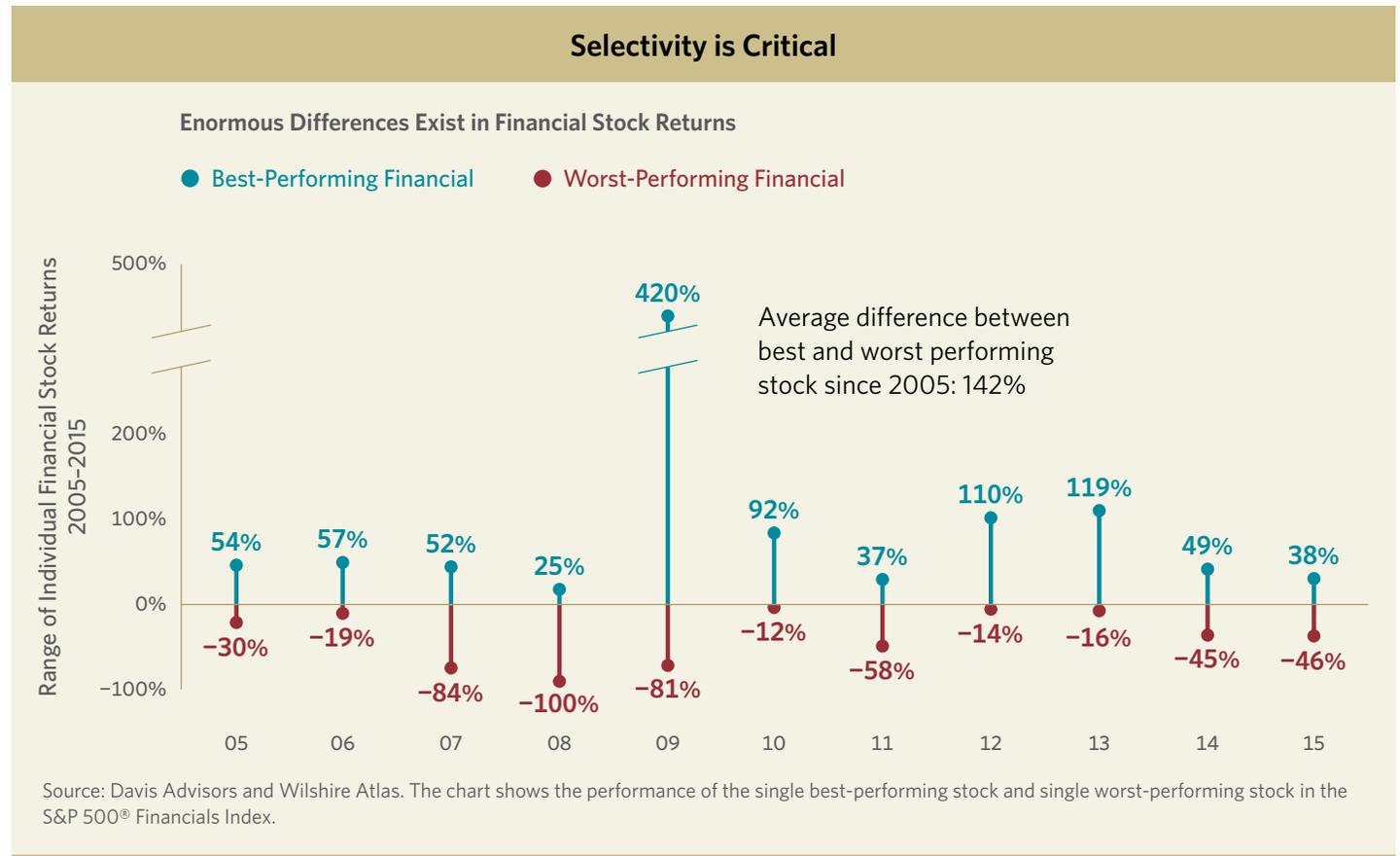


*The average annual total return for Davis Financial Fund's Class A shares for periods ending June 30, 2016 including a 4.75% sales charge are: 1 year, -8.58%; 5 years, 8.22%; and 10 years, 3.99%. The performance presented represents past performance and is not a guarantee of future results. Total return assumes reinvestment of dividends and capital gain distributions. Investment return and principal value will vary so that, when redeemed, an investor's shares may be worth more or less than their original cost. The total annual operating expense ratio may vary in future years. Returns and expenses for other classes of shares will vary. Current performance may be higher or lower than the performance quoted. For most recent month-end performance, visit davisfunds.com or call 800-279-0279. The Morningstar rating/number of funds is provided as of June 30, 2016: three years, 4 stars/92; five years, 3 stars/87; and ten years, 4 stars/72. Class A shares. **Past performance is not a guarantee of future results.***

1. Class A shares without a sales charge. **Past performance is not a guarantee of future results.** 2. XLF is the Financial Select Sector SPDR Fund. Its inception is 12/16/1998. 3. As of June 30, 2016. 4. Gross expenses. As of most recent prospectus. The Fund is categorized by Lipper as Financial Services.

Financials: A Compelling Long-Term Opportunity. Research and Selectivity Add Tremendous Value.

- High-quality financial companies are selling at a 40% to 50% discount to the market, offering the potential double-play of increasing earnings and expanding P/E multiples.
- Enormous differences exist in the performance of financial stocks, as the chart illustrates. Discerning research and stock selection can add significant value in this vast, inefficient sector.



High-Conviction Financial Portfolio

- Our investment approach focuses on companies with competitive advantages, experienced management and a strong capital allocation discipline.
- Unlike a passively managed ETF or index fund, we build the Portfolio one investment at a time. Based on our research, we seek to invest in financial companies best-positioned to build long-term wealth and avoid those with less attractive prospects.

Davis Financial Fund Representative Holdings ⁵	
	<p>Markel, a specialty property and casualty insurer, has generated excellent investment results for decades and grown book value per share more than 16% annually over the last 20 years.</p>
	<p>Visa, the largest payments processing company, benefits from a hard-to-replicate business model that includes a secure payments network, trusted brand, large merchant base, and powerful technology.</p>
	<p>Chubb is a global insurance leader specializing in property and casualty insurance, reinsurance and Asia-focused life insurance. It has a well-regarded management team, strong balance sheet and disciplined underwriting culture.</p>
 BNY MELLON	<p>Bank of New York Mellon, the world's largest custodian bank with more than \$27 trillion of assets under custody, is a durable franchise that benefits from economies of scale.</p>
	<p>Berkshire Hathaway is a collection of outstanding, profitable businesses. Exceptional world-class capital allocation.</p>

5. Not a recommendation to buy, sell or hold any particular security.

This report is authorized for use by existing shareholders. A current Davis Financial Fund prospectus must accompany or precede this material if it is distributed to prospective shareholders. You should carefully consider the Fund's investment objective, risks, charges, and expenses before investing. Read the prospectus carefully before you invest or send money.

This report includes candid statements and observations regarding investment strategies, individual securities, and economic and market conditions; however, there is no guarantee that these statements, opinions or forecasts will prove to be correct. These comments may also include the expression of opinions that are speculative in nature and should not be relied on as statements of fact.

Objective and Risks. Davis Financial Fund's investment objective is long-term growth of capital. There can be no assurance that the Fund will achieve its objective. Under normal circumstances the Fund invests at least 80% of its net assets, plus any borrowing for investment purposes, in securities issued by companies principally engaged in the financial services sector. Some important risks of an investment in the Fund are: stock market risk: stock markets have periods of rising prices and periods of falling prices, including sharp declines; manager risk: poor security selection may cause the Fund to underperform relevant benchmarks; common stock risk: an adverse event may have a negative impact on a company and could result in a decline in the price of its common stock; large-capitalization companies risk: companies with \$10 billion or more in market capitalization generally experience slower rates of growth in earnings per share than do mid- and small-capitalization companies; mid- and small-capitalization companies risk: companies with less than \$10 billion in market capitalization typically have more limited product lines, markets and financial resources than larger companies, and may trade less frequently and in more limited volume; headline risk: the Fund may invest in a company when the company becomes the center of controversy. The company's stock may never recover or may become worthless; financial services risk: investing a significant portion of assets in the financial services sector may cause the Fund to be more sensitive to systemic risk, regulatory actions,

changes in interest rates, non-diversified loan portfolios, credit, and competition; foreign country risk: foreign companies may be subject to greater risk as foreign economies may not be as strong or diversified. As of June 30, 2016, the Fund had approximately 9.7% of assets invested in foreign companies; emerging market risk: securities of issuers in emerging and developing markets may present risks not found in more mature markets; foreign currency risk: the change in value of a foreign currency against the U.S. dollar will result in a change in the U.S. dollar value of securities denominated in that foreign currency; depository receipts risk: depository receipts may trade at a discount (or premium) to the underlying security and may be less liquid than the underlying securities listed on an exchange; focused portfolio risk: investing in a limited number of companies causes changes in the value of a single security to have a more significant effect on the value of the Fund's total portfolio; interest rate sensitivity risk: interest rates may have a powerful influence on the earnings of financial institutions; credit risk. The issuer of a fixed income security (potentially even the U.S. Government) may be unable to make timely payments of interest and principal; and fees and expenses risk: the Fund may not earn enough through income and capital appreciation to offset the operating expenses of the Fund. See the prospectus for a complete description of the principal risks.

Davis Advisors is committed to communicating with our investment partners as candidly as possible because we believe our investors benefit from understanding our investment philosophy and approach. Our views and opinions include "forward-looking statements" which may or may not be accurate over the long term. Forward-looking statements can be identified by words like "believe," "expect," "anticipate," or similar expressions. You should not place undue reliance on forward-looking statements, which are current as of the date of this report. We disclaim any obligation to update or alter any forward-looking statements, whether as a result of new information, future events, or otherwise. While we believe we have a reasonable basis for our appraisals and we have confidence in our opinions, actual results may differ materially from those we anticipate.

For each fund with at least a 3-year history, Morningstar calculates a Morningstar Rating™ based on Morningstar's risk-adjusted return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in a category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating™ for a fund is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year Morningstar Rating™ metrics. The Morningstar Ratings™ are for the specified share class; other classes may have different performance characteristics. Unlike Morningstar Ratings™, Total Return Rankings do not take into account a sales charge. Ratings are based on past performance and are not a guarantee of future results. Class A shares maximum sales charge is 4.75%.

The information provided in this material should not be considered a recommendation to buy, sell or hold any particular security. As of June 30, 2016, the top ten holdings of Davis Financial Fund were: Markel Corp., 7.3%; Wells Fargo & Co., 6.6%; Chubb Ltd., 5.7%; Berkshire Hathaway Inc., Class A, 5.4%; Bank of New York Mellon Corp., 5.3%; Visa Inc., Class A, 5.1%; American Express Co., 5.1%; JPMorgan Chase & Co., 5.0%; U.S. Bancorp, 4.5%; Goldman Sachs Group Inc., 4.0%.

Davis Funds has adopted a Portfolio Holdings Disclosure policy that governs the release of non-public portfolio holding information. This policy is described in the prospectus. Holding percentages are subject to change. Visit davisfunds.com or call 800-279-0279 for the most current public portfolio holdings information.

Broker-dealers and other financial intermediaries may charge Davis Advisors substantial fees for selling its funds and providing continuing support to clients and shareholders. For example, broker-dealers and other financial intermediaries may charge: sales commissions; distribution and service fees; and

record-keeping fees. In addition, payments or reimbursements may be requested for: marketing support concerning Davis Advisors' products; placement on a list of offered products; access to sales meetings, sales representatives and management representatives; and participation in conferences or seminars, sales or training programs for invited registered representatives and other employees, client and investor events, and other dealer-sponsored events. Financial advisors should not consider Davis Advisors' payment(s) to a financial intermediary as a basis for recommending Davis Advisors.

We gather our index data from a combination of reputable sources, including, but not limited to, Thomson Financial, Lipper and index websites.

Financial Service funds invest primarily in equity securities of domestic companies engaged in providing financial services, including but not limited to banks, finance companies, insurance companies, and securities/brokerage firms.

The **S&P 500® Index** is an unmanaged index of 500 selected common stocks, most of which are listed on the New York Stock Exchange. The Index is adjusted for dividends, weighted towards stocks with large market capitalizations and represents approximately two-thirds of the total market value of all domestic common stocks. The **S&P 500 Financials** is a capitalization-weighted index that tracks the companies in the financial sector as a subset of the S&P 500® Index. Investments cannot be made directly in an index.

After October 31, 2016, this material must be accompanied by a supplement containing performance and rating data for the most recent quarter end.

Shares of the Davis Funds are not deposits or obligations of any bank, are not guaranteed by any bank, are not insured by the FDIC or any other agency, and involve investment risks, including possible loss of the principal amount invested.

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