

# Davis International Fund

July 31, 2017

## Long-Term Capital Appreciation

Davis International Fund is a portfolio of attractive businesses from outside the U.S. selected using the time-tested Davis Investment Discipline. The Fund has outperformed its benchmark since inception and has lower than average expenses.<sup>1</sup> As the largest shareholder, we have a unique commitment to client stewardship.

### ► Why Invest in Davis International Fund

- Equity-Focused Research Firm:**  
 Established in 1969, Davis is a leading specialist in equity investing. Our primary focus on equity research and unique investment discipline has built wealth for our clients over the long term.
- Portfolio of Best of Breed Businesses:**  
 The Fund invests in businesses outside the U.S. from both developed and developing markets. Utilizing rigorous independent research, we invest in durable, well-managed businesses with sustainable competitive advantages and attractive long-term growth prospects selling at a discount to their true value.
- Attractive Results:** Since inception the Fund has outperformed the MSCI ACWI (All Country World Index) ex US.<sup>2</sup>
- Flexible, Opportunistic Approach:**  
 We believe a bottom-up stock selection process and not mirroring the benchmark index are keys to long-term outperformance.
- We Are the Largest Shareholder:**  
 We have a unique commitment to stewardship, generating attractive long-term results, managing risks and minimizing fees.



Overall Rating. 322 funds in the U.S. Foreign Large Growth category.

### ► Experienced Management Team

Danton Goei, 19 years with Davis Advisors

### ► Our Investment Alongside Our Shareholders

We have more than \$2 billion of our own money invested side by side with clients.<sup>3</sup>

### ► Symbols

A Shares	DILAX
C Shares	DILCX
Y Shares	DILYX

### ► Lower Expenses

Expense Ratio (CI-A) <sup>1</sup> vs.	
Lipper Category Average	1.04% vs. 2.14%
Expense Ratio (CI-Y) <sup>1</sup> vs.	
Lipper Category Average	0.78% vs. 2.14%

### ► Fund Facts

Total Fund Holdings vs.	
MSCI ACWI ex US	39 vs. 1864
Total Net Assets	\$133.6 million
Total Firm Assets in non-U.S. companies	>\$4 billion
Inception Date (CI-A)	12/29/06

### ► Geographically Diverse Portfolio

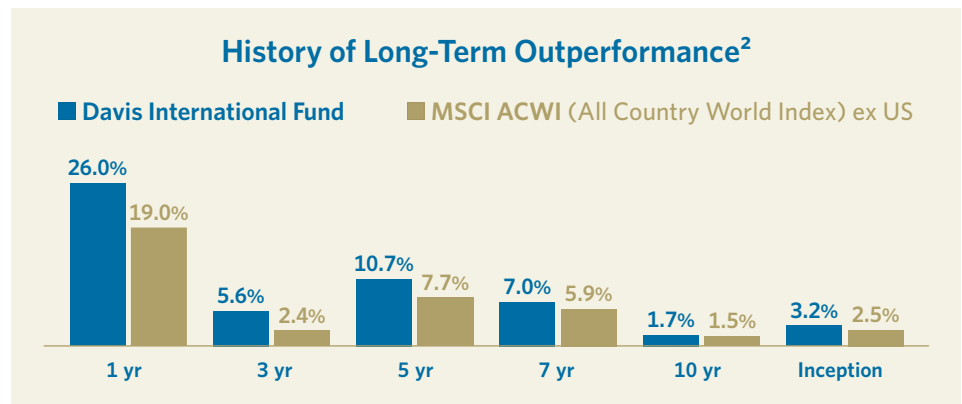
Asia	48.8%
Europe	30.2
North America	8.6
South America	6.3
Africa	6.1

### ► Top 10 Countries

China	South Africa
Switzerland	Netherlands
France	Germany
Canada	India
Brazil	Singapore

### ► Top 10 Holdings

Naspers-N (South Africa)	5.9%
JD.com, Class A-ADR (China)	5.0
Didi Chuxing Joint Co.-Series A (China)	4.9
Encana (Canada)	4.7
Safran S.A. (France)	4.6
TAL Education, Class A-ADR (China)	4.3
New Oriental Education & Technology (China)	4.0
Hollysys Automation Technologies (China)	3.6
Schneider Electric SE (France)	3.5
Sul America S.A. (Brazil)	3.4



The average annual total returns for Davis International Fund's Class A shares for periods ending June 30, 2017, including a maximum 4.75% sales charge, are: 1 year, 16.77%; 5 years, 8.27%; and 10 years, 0.59%. 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 Fund is subject to a 2% short-term redemption fee for shares held for fewer than 30 days. 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 Fund's performance benefited from IPOs purchased in 2014. After purchase, the IPOs rapidly increased in value. Davis Advisors purchases shares intending to benefit from long-term growth of the underlying company; the rapid appreciation of the IPOs was an unusual occurrence.

The Morningstar rating/number of funds is provided as of July 31, 2017: three years, 3 stars/322; five years, 4 stars/274. The Morningstar rating/number of funds as of June 30, 2017 is: three years, 2 stars/324; five years, 3 stars/275; overall, 3 stars/324. 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.** Gross expenses. As of most recent prospectus. The Fund is categorized by Lipper as International Multi-Cap Growth. 2. Class A shares without a sales charge. As of July 31, 2017. **Past performance is not a guarantee of future results.** 3. Includes the Davis family, Davis Advisors, employees and directors. As of June 30, 2017.

*This piece is authorized for use by existing shareholders. A current Davis International Fund prospectus must accompany or precede this piece 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.*

The Fund generally uses Global Industry Classification Standard ("GICS") as developed by Morgan Stanley Capital International and Standard & Poor's Corporation to determine industry classification. GICS presents industry classification as a series of levels (i.e. sector, industry group, industry, and sub-industry). Allocations shown are at the Industry Group level except for the following industry groups which have been combined as indicated: Information Technology: Software & Services, Technology Hardware & Equipment, Semiconductors & Semiconductor Equipment; Health Care: Pharmaceuticals, Biotechnology & Life Sciences, Health Care Equipment & Services. The Advisor may reclassify a company into an entirely different industry if it believes that the GICS classification for a specific company does not accurately describe the company. Industry Group weightings are subject to change.

Average annual total returns as of June 30, 2017:

DIF	1 Year	5 Years	10 Years	Inception
Class A (with 4.75% sales charge)	16.77%	8.27%	0.59%	12/29/06
Class C (with deferred sales charge)	20.31	8.18	-0.18	12/29/06
Class Y	23.05	9.71	5.49†	12/31/09

†Class has not been available for 10 years; return is since inception.

As of the most recent prospectus the expense ratios were: Class A shares, 1.04%; Class C shares, 2.14%; Class Y shares, 0.78%. The Adviser is contractually committed to waive fees and/or reimburse the Fund's expenses to the extent necessary to cap total annual fund operating expense for Class A at 1.30%, Class C at 2.30%, and Class Y at 1.05% until March 1, 2018.

Davis International Fund is subject to a 2% short term redemption fee for shares held for fewer than 30 days.

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. Visit [davisfunds.com](http://davisfunds.com) or call 800-279-0279 for the most current public portfolio holdings information.

**Objective and Risks.** Davis International Fund's investment objective is long-term growth of capital. There can be no assurance that the Fund will achieve its objective. Some important risks of an investment in the Fund are: **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; **depository receipts risk:** depository receipts involve higher expenses and may trade at a discount (or premium) to the underlying security; **emerging market risk:** securities of issuers in emerging and developing markets may present risks not found in more mature markets. As of July 31, 2017, the Fund had approximately 58.5% of assets invested in securities from emerging markets; **fees and expenses risk:** the Fund may not earn enough through income and capital appreciation to offset the operating expenses of the Fund; **foreign country risk:** foreign companies may be subject to greater risk as foreign economies may not be as strong or diversified; **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; **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; **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; **manager risk:** poor security selection may cause the Fund to underperform relevant benchmarks; **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; and **stock market risk:** stock markets have periods of rising prices and periods of falling prices, including sharp declines. See the prospectus for a complete description of the principal risks.

The information provided in this material should not be considered a recommendation to buy, sell, or hold any particular security.

Broker-dealers and other financial intermediaries may charge Davis Advisors substantial fees for selling its products 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.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar risk-adjusted return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product 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. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

During the period from inception (December 29, 2006) through December 30, 2009, only the directors, officers and employees of the Fund or its investment advisor and sub-advisor (and the investment advisor itself and affiliated companies) were eligible to purchase Fund shares. Since inception, the Fund's investment strategies and operations have remained substantially the same.

The MSCI ACWI (All Country World Index) ex US is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets, excluding the United States. The Index includes reinvestment of dividends, net of foreign withholding taxes. Investments cannot be made directly in an index.

After October 31, 2017, this material must be accompanied by a supplement containing performance 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.**