Davis Appreciation and Income Fund

March 31, 2024

Fund Overview

Long-Term Growth and Income

The Fund is a portfolio of equities and bonds which seeks to provide total return through capital appreciation and income. The Fund has lower than average expenses. As one of the largest shareholders, we have a unique commitment to client stewardship.

Why Invest in Appreciation and Income Fund

Stocks and Bonds in a Single Fund:
Combination of durable, well-managed stocks (about two-thirds of the portfolio) and high quality bonds (about one-third).

Rigorous Research:
Utilizing in-depth, independent research, we evaluate the quality and valuation of equities and fixed income securities to achieve the Fund's goals.

Attractive Results:
Through up-market years since 1992, the Fund has delivered an average annual return of 14.5% vs. 18.2% for the S&P 500 Index. Through down- market years since 1992, the Fund has delivered an average annual return of -12.5% vs. -17.1% for the S&P 500 Index.[1]

We Are One of the Largest Shareholders:
We have a unique commitment to stewardship, generating attractive long-term results, managing risks, and minimizing fees.

Experienced Management

Chris C. Davis, *35 yrs with Davis Advisors*

Creston A. King, *25 yrs with Davis Advisors*

Darin Prozes, *20 yrs with Davis Advisors*

Our Investment Alongside Our Shareholders

We have more than $2 billion invested in Davis Strategies and Funds.*

Fund Facts

Inception Date (Cl-A)	5/1/92
Total Net Assets	$249 million
Total Fund Holdings	51
Dividend Paid	Quarterly

Symbols

A Shares	RPFCX
C Shares	DCSCX
Y Shares	DCSYX

Lower Expenses **

Expense Ratio (Cl-Y) vs. Lipper Category Average	0.68% vs. 0.86%
Expense Ratio (Cl-A) vs. Lipper Category Average	1.00% vs. 1.01%

Top 10 Holdings

	Fund (%)	Index (%)
Berkshire Hathaway	8.3	1.7
Capital One Financial	5.8	0.1
Applied Materials	5.7	0.4
Amazon.com	5.7	3.7
Wells Fargo	5.5	0.5
Quest Diagnostics	4.0	< 0.1
Viatris	4.0	< 0.1
Owens Corning	2.8	—
Julius Baer Group	2.6	—
Intel	2.6	0.4

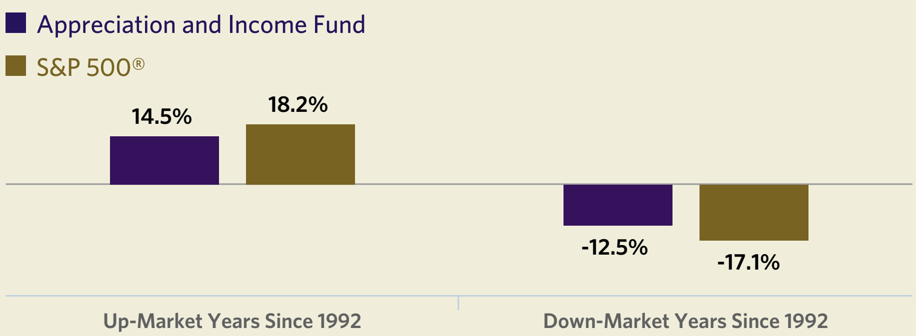
Sectors

(Equity Holdings Only)	Fund (%)	Index (%)
Financials	48.8	13.2
Health Care	16.2	12.4
Information Technology	15.0	29.5
Consumer Discretionary	7.4	10.3
Industrials	5.7	8.8
Communication Services	4.9	9.0
Energy	2.0	4.0
Consumer Staples	—	6.0
Materials	—	2.4
Real Estate	—	2.3
Utilities	—	2.2

Portfolio Allocation (%)

Common Stock	67.7%
Bonds	13.8%
Cash & Equivalents	9.3%
Foreign Stocks	9.2%

Average Annual Returns Through Up and Down Years [1]



The average annual total returns for Davis Appreciation and Income Fund's Class A shares for periods ending March 31, 2024, including a maximum 4.75% sales charge, are: 1 year, 24.03%; 5 years, 9.55%; and 10 years, 6.18%. 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. For most recent month-end performance, visit davisfunds.com or call 800-279-0279. Current performance may be lower or higher than the performance quoted. The total annual operating expense ratio for Class A shares as of the most recent prospectus was 1.00%. The total annual operating expense ratio may vary in future years. Returns and expenses for other classes of shares will vary.*

1. Class A shares without a sales charge. **Past performance is not a guarantee of future results.** Data is from 12/31/91–12/31/23. Up-Market Years are the years: 1992–1999, 2003–2007, 2009–2017, 2019–2021 and 2023. Down-Market Years are the years: 2000–2002, 2008, 2018, and 2022. * As of 3/31/24 Davis Advisors, the Davis family and Foundation, our employees, and Fund directors have more than $2 billion invested alongside clients in similarly managed accounts and strategies. ** The Lipper Category Average expense ratios shown are net. Class Y Shares Fund expense ratio is compared to the Lipper Mixed-Asset Target Allocation Growth Category Average for institutional shares. Class A Shares Fund expense ratio is compared to the entire Lipper Mixed-Asset Target Allocation Growth Category Average.

This material is authorized for use by existing shareholders. A current Davis Appreciation and Income 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 material 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.

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Lipper Mixed-Asset Target Allocation Growth funds are those that, by portfolio practice, maintain a mix of between 60%–80% equity securities, with the remainder invested in bonds, cash, and cash equivalents.

Objective and Risks. The investment objective of Davis Appreciation and Income Fund is total return through a combination of growth and income. There can be no assurance that the Fund will achieve its objective. 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; **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; **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; **preferred stock risk**: preferred stock is a form of equity security and is generally ranked behind an issuer's debt securities in claims for dividends and assets of an issuer in a liquidation or bankruptcy. An adverse event may have a negative impact on a company and could result in a decline in the price of its preferred stock; **bonds and other debt securities risk**: Bonds and other debt securities generally are subject to credit risk and interest rate risk; **interest rate risk**: interest rate increases can cause the price of a debt security to decrease; **variable current income risk**: the income which the Fund pays to investors is not stable; **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; **convertible securities risk**: convertible securities are often lower-quality debt securities; **changes in debt rating risk**: if a rating agency gives a fixed income security a low rating, the value of the security will decline; **extension and prepayment risk**: the pace at which borrowers prepay affects the yield and the cash flow to holders of securities and the market value of those securities; **foreign country risk**: foreign companies may be subject to greater risk as foreign economies may not be as strong or diversified. As of 3/31/24, the Fund had approximately 9.2% of net assets invested in foreign companies; **depositary receipts risk**: depositary receipts involve higher expenses and may trade at a discount (or premium) to the underlying security; **fees and expenses risk**: the Fund may not earn enough through income and capital appreciation to offset the operating expenses of the Fund; **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 **high-yield, high-risk debt securities risk:** issuers of these debt securities are unlikely to have a cushion from which to make their payments when their earnings are poor or when the economy in general is in decline. These issuers are likely to have a substantial amount of other debt, which will be senior to the high-yield, high-risk debt securities. An issuer must be current on its senior obligations before it can pay bondholders. The Fund is subject to both equity and debt risk. 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.

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 statement of additional information. Holding percentages are subject to change. Visit davisfunds.com or call 800-279-0279 for the most current public portfolio holdings information.

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

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. Investments cannot be made directly in an index.

While Davis Appreciation and Income Fund seeks to structure a portfolio with the potential to participate in some of the stock's upside potential while providing a degree of downside protection, there can be no assurance that the portfolio will actually perform in line with our expectations. There can be no assurance that securities we purchase will increase in value when the S&P 500 Index increases in value, or that they will provide downside protection when the S&P 500 Index declines in value.

After 7/31/24, this material must be accompanied by a supplement containing performance data for the most recent quarter end.

The Equity Specialists℠ is a service mark of Davis Selected Advisers, L.P.

Portfolio Manager VIDEOS

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