Davis Financial Fund

Best of breed financial businesses to help our shareholders build wealth

MORNINGSTAR ★★★★

Overall Rating as of September 30, 2018. 96 funds in the Financial category. Based on risk-adjusted returns.

The Davis Difference

- Davis Financial Fund has outperformed the S&P 500 Index and S&P 500 Financials Index since inception in 1991.[1]
- Outperformed XLF by almost 3% per year on average since XLF's inception.[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 more than 30 years experience investing in financial stocks and started Davis Financial Fund in 1991.
- We are among the largest shareholders in the Fund.[3]

Symbols

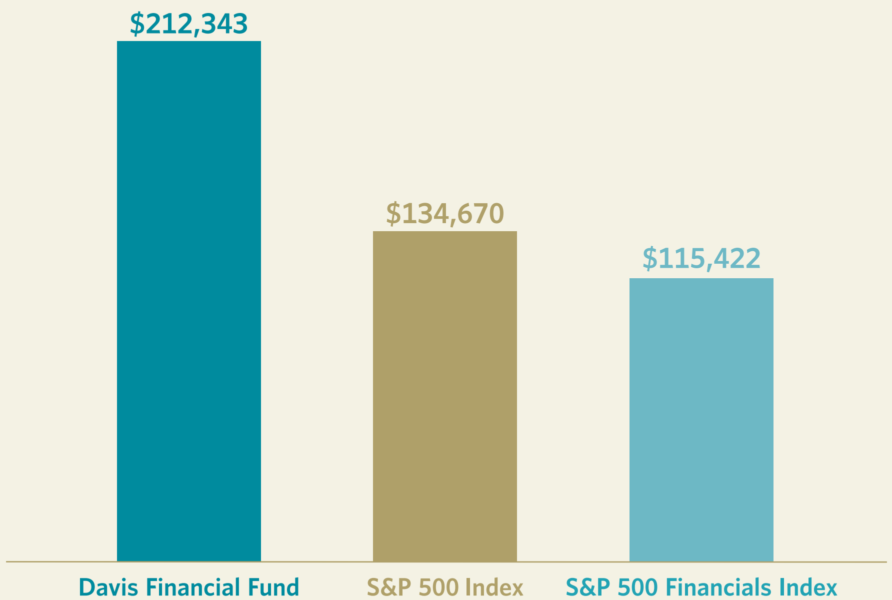
A Shares	RPFGX
C Shares	DFFCX
Y Shares	DVFYX

Lower Expenses

Expense Ratio (Cl–A)[4] vs. Lipper Category Average	0.98% vs. 1.48%
Expense Ratio (Cl–Y)[4] vs. Lipper Category Average	0.72% vs. 1.48%

Davis Financial Fund History of Outperformance

Growth of $10,000 Investment Since Inception[1]



The average annual total returns for Davis Financial Fund's Class A shares for periods ending September 30, 2018, including a maximum 4.75% sales charge, are: 1 year, 3.76%; 5 years, 11.19%; and 10 years, 9.92%. 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.*

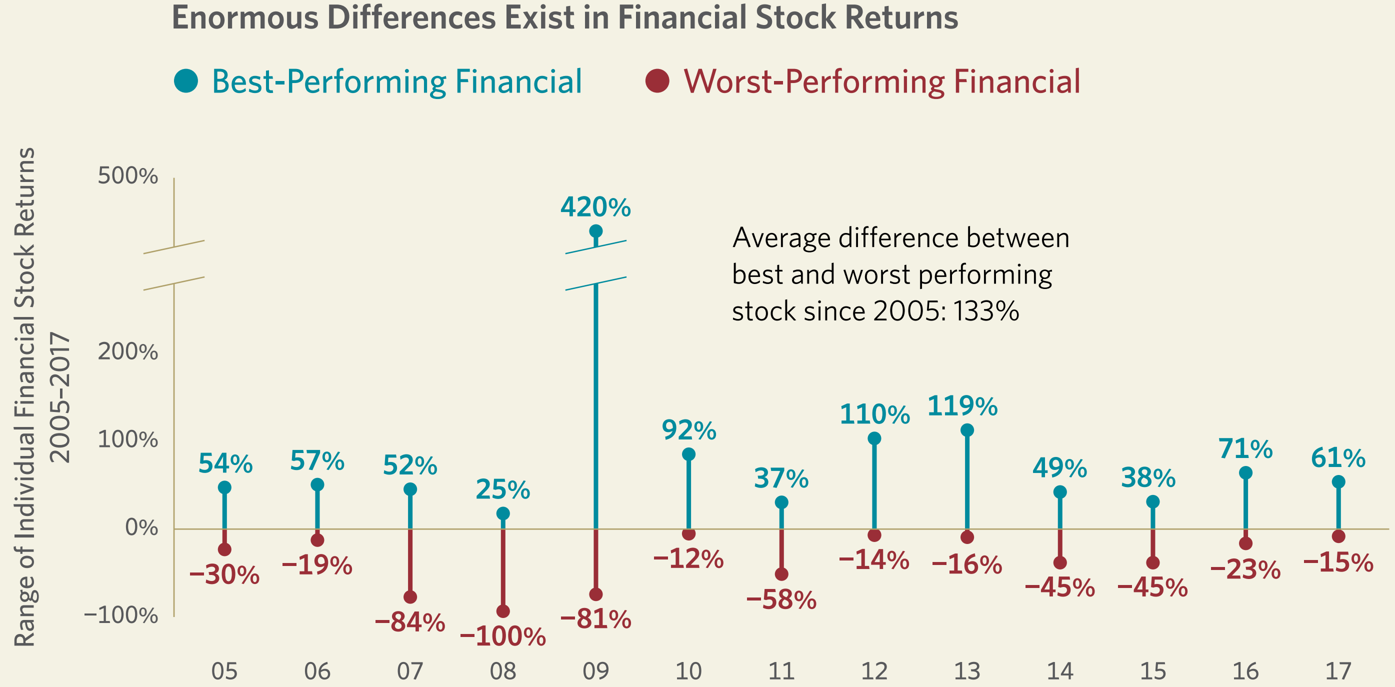
The Morningstar rating/number of funds as of September 30, 2018: three years, 3 stars/96; five years, 4 stars/91; and ten years, 4 stars/70. Class A shares. **Past performance is not a guarantee of future results.**

1. Class A shares without a sales charge. As of 9/30/18. **Past performance is not a guarantee of future results. 2.** XLF is the Financial Select Sector SPDR Fund. Its inception is 12/16/1998. See the endnotes for a description of the material differences between the Fund and XLF. **Past performance is not a guarantee of future results.** Not a solicitation for XLF. **3.** 6/30/18. **4.** Net 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 substantial 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.

Selectivity is Critical



Source: Davis Advisors and Wilshire Atlas. The chart shows the performance of the single best-performing stock and single worst-performing stock in the S&P 500 Financials Index.

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]	
MARKEL	Markel, a specialty property and casualty insurer, has generated excellent investment results for decades and grown book value per share more than 13% annually over the last 20 years.
VISA	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.
CHUBB	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.
BNY MELLON	Bank of New York Mellon, the world's largest custodian bank with more than $32 trillion of assets under custody, is a durable franchise that benefits from economies of scale.
Berkshire Hathaway Inc.	Berkshire Hathaway is a collection of outstanding, profitable businesses. Exceptional world-class capital allocator.

5. Not a recommendation to buy, sell or hold any particular security. As of 9/30/18. Holdings are subject to change.

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: **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; **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; **depositary receipts risk:** depositary 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; **emerging market risk:** securities of issuers in emerging and developing markets may present risks not found in more mature markets; **fees and expenses risk:** the Fund may not earn enough through income and capital appreciation to offset the operating expenses of the Fund; **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; **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; **foreign country risk:** foreign companies may be subject to greater risk as foreign economies may not be as strong or diversified. As of September 30, 2018, the Fund had approximately 16.1% of assets invested in foreign companies; **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; **interest rate sensitivity risk:** interest rates may have a powerful influence on the earnings of financial institutions; **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.

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.

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.

As of September 30, 2018, the top ten holdings for Davis Financial Fund were: U.S. Bancorp, 7.12%; Berkshire Hathaway Inc., Class A, 6.90%; American Express Co., 6.43%; Capital One Financial Corp., 6.34%; Markel Corp., 5.45%; JPMorgan Chase & Co., 5.07%; Wells Fargo & Co., 4.81%; Bank of New York Mellon Corp., 4.78%; DNB ASA, 4.41%; Chubb Ltd., 4.19%.

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.

Davis Financial Fund ("Fund") and Financial Select Sector SPDR Fund ("XLF"). The Fund seeks long-term growth of capital while XLF seeks to provide investment results that, before expenses, correspond generally to the price and yield performance of publicly traded equity securities of companies in the Financial Select Sector Index. The Fund has a sales charge of up to 4.75% while XLF can only be purchased on an exchange with no sales charge but may incur transaction costs (e.g., customary brokerage commissions). The Fund's expense ratio is 0.98% and that of XLF is 0.14%. Shares of the Fund can only be bought or sold at that day's NAV through a financial intermediary. Shares of XLF can only be bought and sold on an exchange at the current market price. Shares cannot be individually redeemed. Capital gains of the Fund may be passed on to shareholders annually while capital gains tax on XLF is incurred only upon the sale of the shares.

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 January 31, 2019, 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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