

**Supplement dated May 11, 2010**  
**To**  
**DAVIS GLOBAL FUND and**  
**DAVIS INTERNATIONAL FUND**  
**Prospectus**  
**dated March 1, 2010**

The section of the prospectus entitled "Market Timing" has been replaced in its entirety by the following:

**Frequent Purchases and Redemptions of Fund Shares**

The Davis Funds discourage short-term or excessive trading, does not accommodate short-term or excessive trading, and intends to restrict or reject such trading or take other action if in the judgment of Davis Advisors such trading may be detrimental to the interest of a Fund. Such strategies may dilute the value of fund shares held by long-term shareholders, interfere with the efficient management of the Fund's portfolio, and increase brokerage and administrative costs.

The Davis Funds' Board of Directors has adopted a 30 day restriction policy with respect to the frequent purchase and redemption of fund shares. Under the 30 day restriction any shareholder redeeming shares from a fund will be precluded from investing in the same fund for 30 calendar days after the redemption transaction. This policy also applies to redemptions and purchases that are part of an exchange transaction. Check writing redemptions from the money market fund are excluded from this restriction, as are transactions that are part of a systematic plan. Certain financial intermediaries, such as 401(k) plan administrators, may apply purchase and exchange limitations which are different than the limitations discussed above. These limitations may be more or less restrictive than the limitations imposed by the Davis Funds, but are designed to detect and prevent excessive trading. Shareholders should consult their financial intermediaries to determine what purchase and exchange limitations may be applicable to their transactions in the Davis Funds through those financial intermediaries. To the extent reasonably feasible, the Funds' market timing procedures apply to all shareholder accounts and neither Davis Funds nor Davis Advisors have entered into agreements to exempt any shareholder from application of either the Davis Funds' or a financial intermediary's market-timing procedures, as applicable.

Davis Funds receive purchase, exchange and redemption orders from many financial intermediaries which maintain omnibus accounts with the Funds. Omnibus account arrangements permit financial intermediaries to aggregate their clients' transactions and ownership positions. Shareholders seeking to engage in excessive trading practices may employ a variety of strategies to avoid detection and there can be no assurance that Davis Funds will successfully prevent all instances of market timing.

If the Davis Funds, at its discretion, identifies any activity that may constitute frequent trading, it reserves the right to restrict further trading activity regardless of whether the activity exceeds the funds written guidelines. In applying this policy, the Davis Funds reserves the right to consider the trading of multiple accounts under common ownership, control or influence to be trading out of a single account.

# Davis Global Fund Davis International Fund

March 1, 2010

PROSPECTUS

Class A Shares

Class B Shares

Class C Shares

Class Y Shares

*(Portfolios of Davis New York Venture Fund, Inc.)*

*Tickers:*

*Davis Global Fund: Class A–DGFAX, Class B–DGFBX, Class C–DGFCX, Class Y–DGFYX*

*Davis International Fund: Class A–DILAX, Class B–DILBX, Class C–DILCX, Class Y–DILYX*

The Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.

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This prospectus contains important information. Please read it carefully before investing and keep it for future reference.

No financial adviser, dealer, salesperson or any other person has been authorized to give any information or to make any representations, other than those contained in this Prospectus, in connection with the offer contained in this Prospectus and, if given or made, such other information or representations must not be relied on as having been authorized by the Funds, the Funds' investment adviser or the Funds' distributor.

This Prospectus does not constitute an offer by the Funds or by the Funds' distributor to sell or a solicitation of an offer to buy any of the securities offered hereby in any jurisdiction to any person to whom it is unlawful for the Funds to make such an offer.

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## **Davis Global Fund**

### **Investment Objective**

Davis Global Fund's investment objective is long-term growth of capital.

### **Fees and Expenses of the Davis Global Fund**

This table describes the fees and expenses that you may pay if you buy and hold shares of the Davis Global Fund. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$100,000 in Davis Funds. More information about these and other discounts is available from your financial professional and in the "How to Choose a Share Class, Class A shares" section of the fund's statutory prospectus on page 28 and in the "Selecting the Appropriate Class of Shares" section of the fund's statement of additional information on page 48.

#### **Shareholder Fees**

*(fees paid directly from your investment)*

	<b>Class A shares</b>	<b>Class B shares</b>	<b>Class C shares</b>	<b>Class Y shares</b>
Maximum sales charge (load) imposed on purchases <i>(as a percentage of offering price)</i>	4.75%	None	None	None
Maximum deferred sales charge (load) imposed on redemptions <i>(as a percentage of the lesser of the net asset value of the shares redeemed or the total cost of such shares. if you buy class A shares valued at \$1 million or more without a sales charge and sell the shares within one year of purchase)</i>	0.50%	4.00%	1.00%	None
Redemption Fee <i>(as a percentage of total redemption proceeds on shares redeemed or exchanged within 30 days)</i>	2.00%	2.00%	2.00%	2.00%

#### **Annual Fund Operating Expenses**

*(expenses that you pay each year as a percentage of the value of your investment)*

	<b>Class A shares</b>	<b>Class B shares</b>	<b>Class C shares</b>	<b>Class Y shares</b>
Management Fees <sup>(1)</sup>	0.55%	0.55%	0.55%	0.55%
Distribution and/or service (12b-1) Fees	0.14%	1.00%	1.00%	0.00%
Other Expenses <sup>(2)</sup>	0.50%	0.90%	0.66%	0.37%
Total Annual Operating Expenses	1.19%	2.45%	2.21%	0.92%
Less Fee Waiver or Expense Reimbursement <sup>(3)</sup>	0.00%	(0.15)%	0.00%	0.00%
Net Expenses	1.19%	2.30%	2.21%	0.92%

<sup>(1)</sup> The Management Fees in the table have been restated. On July 1, 2009, the contractual management fees were reduced from 0.75% to 0.55%.

<sup>(2)</sup> Includes custodian fees, transfer agent fees, audit fees, legal fees, directors' fees and expenses, reports to shareholders, and various other expenses.

<sup>(3)</sup> 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 expenses (Class A shares, 1.30%; Class B shares, 2.30%; Class C shares, 2.30%; Class Y shares, 1.05%) until March 1, 2011; after that date, there is no assurance that the Adviser will continue to cap expenses. The expense cap cannot be terminated prior to March 1, 2011 without the consent of the board of directors.

## Example

This Example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds.

The Example assumes that you invest \$10,000 in the Davis Global Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and the fund's operating expenses remain the same. Class B shares' expenses for the 10 year period include three years of Class A shares' expenses since Class B shares automatically convert to Class A shares after seven years. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<b>If you sell your shares in:</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Class A shares	\$591	\$835	\$1,098	\$1,850
Class B shares	\$648	\$1,064	\$1,506	\$2,326
Class C shares	\$324	\$691	\$1,185	\$2,544
Class Y shares	\$94	\$293	\$509	\$1,131

<b>You would pay the following expenses if you did not redeem your shares:</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Class A shares	\$591	\$835	\$1,098	\$1,850
Class B shares	\$248	\$764	\$1,306	\$2,326
Class C shares	\$224	\$691	\$1,185	\$2,544
Class Y shares	\$94	\$293	\$509	\$1,131

## Portfolio Turnover

The Davis Global Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund's performance. During the most recent fiscal year, the fund's portfolio turnover rate was 32% of the average value of its portfolio.

## Principal Investment Strategies

The Davis Global Fund invests primarily in equity securities (typically common stocks, but may also include preferred stocks, American Depository Receipts and Global Depository Receipts) issued by both United States and foreign companies, including countries with developed or emerging markets. The fund may invest in large, medium, or small companies without regard to market capitalization. Under normal market conditions, the fund will invest significantly (at least 40% of its total assets) in issuers: (i) organized or located outside of the U.S.; (ii) whose primary trading market is located outside the U.S.; or (iii) doing a substantial amount of business outside the U.S., which the fund considers to be a company that derives at least 50% of its revenue from business outside the U.S. or has at least 50% of its assets outside the U.S. Typically the fund makes investments in a number of different countries. Davis Selected Advisers, L.P. ("Davis Advisors" or the "Adviser"), the fund's investment adviser, uses the Davis Investment Discipline to guide its investment decisions.

***Davis Investment Discipline.*** Davis Advisors manages equity funds using the Davis Investment Discipline. Davis Advisors conducts extensive research to try to identify businesses that possess characteristics which we believe foster the creation of long-term value, such as proven management, a durable franchise and business model, and sustainable competitive advantages. We aim to invest in such businesses when they are trading at discounts to their intrinsic worth. We emphasize individual stock selection and believe that the ability to evaluate management is critical. We routinely visit managers at their places of business in order to gain insight into the relative value of different businesses. Such research, however rigorous, involves predictions and forecasts that are inherently uncertain. After determining which companies we wish to own,

we then turn our analysis to determining the intrinsic value of those companies' equity securities. We seek equity securities which can be purchased at attractive valuations relative to their intrinsic value. Our goal is to invest in companies for the long term. We consider selling a company's equity securities if the securities' market price exceeds Davis Advisors' estimates of intrinsic value, or if the ratio of the risks and rewards of continuing to own the company's equity securities is no longer attractive.

## **Principal Risks of Investing in the Davis Global Fund**

*You may lose money by investing in the Davis Global Fund. The likelihood of loss may be greater if you invest for a shorter period of time. This section describes what we think are the most significant factors (but not the only factors) that could cause the value of your investment in the fund to decline, and which could prevent the fund from achieving its stated objective.*

Investors in the Davis Global Fund should have a long-term perspective and, for example, be able to tolerate potentially sharp declines in value. The principal risks include: market risk, company risk, foreign country risk, foreign currency risk, emerging market risk, small- and medium-capitalization risk, OTC risk, fees and expenses risk, and headline risk. The prices of securities held by the fund may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by the fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. The common stock and other equity type securities purchased by the fund may experience large price swings and have the potential for loss.

Investments in securities issued by entities based outside the United States may also be affected by currency controls; different accounting, auditing, financial reporting, and legal standards and practices; expropriation; changes in tax policy; greater market volatility; differing securities market structures; higher transaction costs; and various administrative difficulties, such as delays in clearing and settling portfolio transactions or in receiving payment of dividends. These risks may be heightened in connection with investments in emerging markets. Investments in securities issued by entities domiciled in the United States may also be subject to many of these risks.

Your investment in the fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, entity or person.

## **Investment Results**

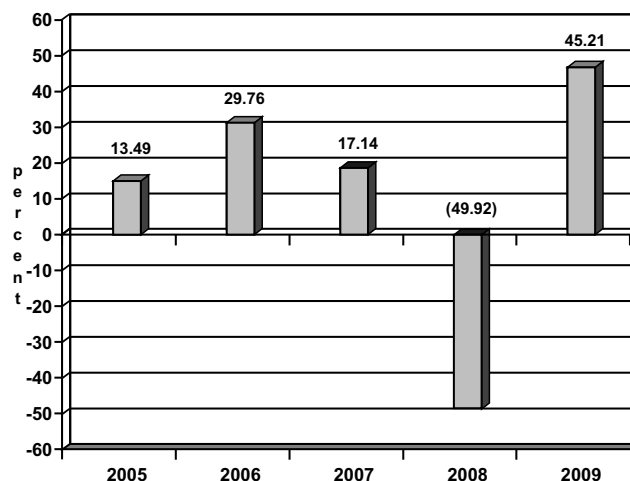
The bar chart below shows how Davis Global Fund's investment results have varied from year to year, and the following table shows how the fund's average annual total returns for various periods compare with those of the MSCI ACWI (All Country World Index), a widely recognized unmanaged index of equity market performance of developed and emerging markets, including the United States. This information provides some indication of the risks of investing in the fund. Past results (before and after taxes) are not predictive of future results. Updated information on the fund's results can be obtained by visiting [davisfunds.com](http://davisfunds.com) or by calling 800/279-0279.

During the period from inception (December 22, 2004) through December 29, 2006, only the directors, officers and employees of the Davis Global Fund or its investment adviser and sub-adviser (and the investment adviser itself and affiliated companies) were eligible to purchase fund shares. During this time period the fund's investment strategies and operations were substantially the same as they are expected to be in the future.

## Calendar year total returns for Class A shares

(Results do not include a sales charge; if a sales charge were included, results would be lower)

*Davis Global Fund  
Annual Total Returns for Class A Shares  
for the years ended December 31*



Highest/Lowest quarterly results during this time period were:

**Highest** 32.48% for the quarter ended June 30, 2009

**Lowest** (22.95)% for the quarter ended December 31, 2008

*Davis Global Fund Average Annual Total Returns  
for the periods ended December 31, 2009 (with maximum sales charge)*

	Past 1 Year	Past 5 Years	Life of Class*
Class A shares return before taxes	38.33%	3.63%	4.14%
Class A shares return after taxes on distributions	38.37%	3.57%	4.08%
Class A shares return after taxes on distributions and sale of fund shares	25.31%	3.24%	3.69%
Class B shares return before taxes	39.90%	3.25%	3.94%
Class C shares return before taxes	42.78%	3.58%	4.09%
Class Y shares return before taxes	45.66%	N/A	(12.16)%
MSCI ACWI (All Country World Index) Index reflects no deduction for fees, expenses or taxes	34.63%	3.10%	3.35%
MSCI World Index** reflects no deduction for fees, expenses or taxes	29.99%	2.01%	2.25%

Average Annual Total Returns for each class of shares reflect sales charges.

\*Average annual total returns for life are for the periods from the commencement of each class's investment operations. Class A shares, Class B shares, and Class C shares each commenced operations on 12/22/04. Class Y shares commenced operations on 7/25/07. Indices average annual total return for life is from 12/22/04.

\*\*The MSCI ACWI (All Country World Index) Index includes securities issued by emerging market companies whereas the MSCI World Index does not. Because Davis Global Fund is expected to continue to invest a significant portion of its assets in emerging market companies the board of directors deemed the MSCI ACWI (All Country World Index) Index to be the more appropriate index.

After-tax returns are shown only for Class A shares; after-tax returns for other share classes will vary. After-tax returns are calculated using the highest individual federal income tax rates in effect during each year of the periods shown and do not reflect the impact of state and local taxes. Your actual after-tax returns depend on your individual tax situation and likely will differ from the results shown above. In addition, after-tax returns are not relevant if you hold your fund shares through a tax-deferred arrangement, such as a 401(k) plan, individual retirement account (IRA) or 529 college savings plan.

### **Investment Adviser**

Davis Selected Advisers, L.P., which serves as the Davis Global Fund's investment adviser, uses a system of multiple portfolio managers in managing the fund's assets.

### **Sub-Adviser**

Davis Selected Advisers-NY, Inc., a wholly owned subsidiary of the adviser, serves as the fund's sub-adviser.

### **Portfolio Managers**

<b>Portfolio Managers Fund Title (if applicable)</b>	<b>Experience with this Fund</b>	<b>Primary Title with Investment Adviser or Sub-Adviser</b>
<b>Stephen Chen</b>	Since December 2004	Vice President  Davis Selected Advisers-NY, Inc.
<b>Andrew Davis</b>	Since January 2008	President  Davis Selected Advisers, L.P.
<b>Christopher Davis</b> President	Since December 2004	Chairman  Davis Selected Advisers, L.P.
<b>Danton Goei</b>	Since December 2004	Vice President  Davis Selected Advisers-NY, Inc.
<b>Tania Pouschine</b>	Since December 2004	Vice President  Davis Selected Advisers-NY, Inc.
<b>Chandler Spears</b>	Since January 2008	Vice President  Davis Selected Advisers-NY, Inc.

## Purchase and Sale of Fund Shares

	Class A, B and C Shares	Class Y Shares
Minimum Initial Investment	\$1,000	\$5,000,000 <sup>(1)</sup>
Minimum Additional Investment	\$25	\$25

<sup>(1)</sup> Class Y shares may only be purchased by certain institutions. The minimum investment may vary depending on the type of institution.

You may sell (redeem) shares each day the New York Stock Exchange is open. Your transaction may be placed through your dealer or financial adviser, by writing to Davis Funds c/o State Street Bank and Trust Company, P.O. Box 8406, Boston, MA 02266-8406, telephoning (800/279-0279) or accessing our website (davisfunds.com).

## Tax Information

Dividends and capital gain distributions you receive from the Davis Global Fund are subject to federal income taxes and may also be subject to state and local taxes.

## Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase shares of the Davis Global Fund through a broker-dealer or other financial intermediary (such as a bank), the fund and the fund's distributor or its affiliates may pay the intermediary for the sale of fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your sales person to recommend the fund over another investment. Ask your individual financial adviser or visit your financial intermediary's website for more information.

## **Davis International Fund**

### **Investment Objective**

Davis International Fund's investment objective is long-term growth of capital.

### **Fees and Expenses of the Davis International Fund**

This table describes the fees and expenses that you may pay if you buy and hold shares of the Davis International Fund. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$100,000 in Davis Funds. More information about these and other discounts is available from your financial professional and in the "How to Choose a Share Class, Class A shares" section of the fund's statutory prospectus on page 28 and in the "Selecting the Appropriate Class of Shares" section of the fund's statement of additional information on page 48.

#### **Shareholder Fees**

*(fees paid directly from your investment)*

	<b>Class A shares</b>	<b>Class B shares</b>	<b>Class C shares</b>	<b>Class Y shares</b>
Maximum sales charge (load) imposed on purchases <i>(as a percentage of offering price)</i>	4.75%	None	None	None
Maximum deferred sales charge (load) imposed on redemptions <i>(as a percentage of the lesser of the net asset value of the shares redeemed or the total cost of such shares, if you buy class A shares valued at \$1 million or more without a sales charge and sell the shares within one year of purchase)</i>	0.50%	4.00%	1.00%	None
Redemption Fee <i>(as a percentage of total redemption proceeds on shares redeemed or exchanged within 30 days)</i>	2.00%	2.00%	2.00%	2.00%

#### **Annual Fund Operating Expenses**

*(expenses that you pay each year as a percentage of the value of your investment)*

	<b>Class A shares</b>	<b>Class B shares</b>	<b>Class C shares</b>	<b>Class Y shares</b>
Management Fees <sup>(1)</sup>	0.55%	0.55%	0.55%	0.55%
Distribution and/or service (12b-1) Fees	0.25%	1.00%	1.00%	0.00%
Other Expenses <sup>(2)</sup>	0.71%	8.56%	8.75%	0.71%
<b>Total Annual Operating Expenses</b>	<b>1.51%</b>	<b>10.11%</b>	<b>10.30%</b>	<b>1.26%</b>
Less Fee Waiver or Expense Reimbursement <sup>(3)</sup>	(0.21)%	(7.81)%	(8.00)%	(0.21)%
<b>Net Expenses</b>	<b>1.30%</b>	<b>2.30%</b>	<b>2.30%</b>	<b>1.05%</b>

<sup>(1)</sup> The Management Fees in the table have been restated. On July 1, 2009, the contractual management fees were reduced from 0.75% to 0.55%.

<sup>(2)</sup> Includes custodian fees, transfer agent fees, audit fees, legal fees, directors' fees and expenses, reports to shareholders, and various other expenses.

<sup>(3)</sup> 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 expenses (Class A shares, 1.30%; Class B shares, 2.30%; Class C shares, 2.30%; Class Y shares,

1.05%) until March 1, 2011, after that date, there is no assurance that the Adviser will continue to cap expenses. The expense cap cannot be terminated prior to March 1, 2011, without the consent of the board of directors.

## Example

This Example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds.

The Example assumes that you invest \$10,000 in the Davis International Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and the fund's operating expenses remain the same. Class B shares' expenses for the 10 year period include three years of Class A shares' expenses since Class B shares automatically convert to Class A shares after seven years. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<b>If you sell your shares in:</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Class A shares	\$621	\$930	\$1,260	\$2,191
Class B shares	\$1,385	\$3,107	\$4,647	\$6,255
Class C shares	\$1,103	\$2,852	\$4,510	\$7,944
Class Y shares	\$128	\$400	\$692	\$1,523

<b>You would pay the following expenses if you did not redeem your shares:</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Class A shares	\$621	\$930	\$1,260	\$2,191
Class B shares	\$985	\$2,807	\$4,447	\$6,255
Class C shares	\$1,003	\$2,852	\$4,510	\$7,944
Class Y shares	\$128	\$400	\$692	\$1,523

## Portfolio Turnover

The Davis International Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund's performance. During the most recent fiscal year, the fund's portfolio turnover rate was 25% of the average value of its portfolio.

## Principal Investment Strategies

The Davis International Fund invests primarily in equity securities (typically common stocks, but may also include preferred stocks, American Depositary Receipts and Global Depositary Receipts) issued by both United States and foreign companies, including countries with developed or emerging markets. The fund may invest in large, medium, or small companies without regard to market capitalization. Under normal market conditions, the fund will invest significantly (at least 40% of its total assets) in issuers: (i) organized or located outside of the U.S.; (ii) whose primary trading market is located outside the U.S.; or (iii) doing a substantial amount of business outside the U.S., which the fund considers to be a company that derives at least 50% of its revenue from business outside the U.S. or has at least 50% of its assets outside the U.S. Typically the fund makes investments in a number of different countries. Davis Selected Advisers, L.P. ("Davis Advisors" or the "Adviser"), the fund's investment adviser, uses the Davis Investment Discipline to guide its investment decisions.

**Davis Investment Discipline.** Davis Advisors manages equity funds using the Davis Investment Discipline. Davis Advisors conducts extensive research to try to identify businesses that possess characteristics which we believe foster the creation of long-term value, such as proven management, a durable franchise and business model, and sustainable competitive advantages. We aim to invest in such

businesses when they are trading at discounts to their intrinsic worth. We emphasize individual stock selection and believe that the ability to evaluate management is critical. We routinely visit managers at their places of business in order to gain insight into the relative value of different businesses. Such research, however rigorous, involves predictions and forecasts that are inherently uncertain. After determining which companies we wish to own, we then turn our analysis to determining the intrinsic value of those companies' equity securities. We seek equity securities which can be purchased at attractive valuations relative to their intrinsic value. Our goal is to invest in companies for the long term. We consider selling a company's equity securities if the securities' market price exceeds Davis Advisors' estimates of intrinsic value, or if the ratio of the risks and rewards of continuing to own the company's equity securities is no longer attractive.

## **Principal Risks of Investing in the Davis International Fund**

*You may lose money by investing in the Davis International Fund. The likelihood of loss may be greater if you invest for a shorter period of time. This section describes what we think are the most significant factors (but not the only factors) that could cause the value of your investment in the fund to decline, and which could prevent the fund from achieving its stated objective.*

Investors in the Davis International Fund should have a long-term perspective and, for example, be able to tolerate potentially sharp declines in value. The principal risks include: market risk, company risk, foreign country risk, foreign currency risk, emerging market risk, small- and medium-capitalization risk, fees and expenses risk, and headline risk. The prices of securities held by the fund may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by the fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. The common stock and other equity type securities purchased by the fund may experience large price swings and have the potential for loss.

Investments in securities issued by entities based outside the United States may also be affected by currency controls; different accounting, auditing, financial reporting, and legal standards and practices; expropriation; changes in tax policy; greater market volatility; differing securities market structures; higher transaction costs; and various administrative difficulties, such as delays in clearing and settling portfolio transactions or in receiving payment of dividends. These risks may be heightened in connection with investments in emerging markets. Investments in securities issued by entities domiciled in the United States may also be subject to many of these risks.

Your investment in the fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, entity or person.

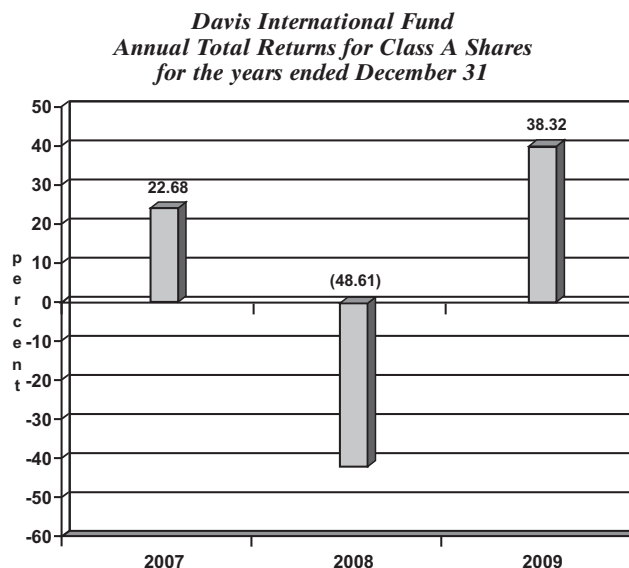
## **Investment Results**

The bar chart below shows how Davis International Fund's investment results have varied from year to year, and the following table shows how the fund's average annual total returns for various periods compare with those of the MSCI ACWI (All Country World Index) Index ex USA, a widely recognized unmanaged index of equity market performance of developed and emerging markets, excluding the United States. This information provides some indication of the risks of investing in the fund. Past results (before and after taxes) are not predictive of future results. Updated information on the fund's results can be obtained by visiting [davisfunds.com](http://davisfunds.com) or by calling 800/279-0279.

During the period from inception (December 29, 2006) through December 30, 2009, only the directors, officers and employees of the Davis International Fund or its investment adviser and sub-adviser (and the investment adviser itself and affiliated companies) were eligible to purchase fund shares. During this time period the fund's investment strategies and operations were substantially the same as they are expected to be in the future.

## Calendar year total returns for Class A shares

(Results do not include a sales charge; if a sales charge were included, results would be lower)



Highest/Lowest quarterly results during this time period were:

<b>Highest quarter</b>	29.52%	June 30, 2009
<b>Lowest quarter</b>	(21.98)%	September 30, 2008

### **Davis International Fund Average Annual Total Returns** for the periods ended December 31, 2009 (with maximum sales charge)

	Past 1 Year	Life of Class*
Class A shares		
<i>return before taxes</i>	31.75%	(5.98)%
Class A shares		
<i>return after taxes on distributions</i>	31.70%	(6.01)%
Class A shares		
<i>return after taxes on distributions and sale of fund shares</i>	21.05%	(4.90)%
Class B shares		
<i>return before taxes</i>	32.87%	(6.37)%
Class C shares		
<i>return before taxes</i>	35.87%	(5.42)%
Class Y shares		
<i>return before taxes</i>	N/A	N/A
MSCI ACWI (All Country World Index) Index ex USA**		
<i>reflects no deduction for fees, expenses or taxes</i>	41.45%	(3.49)%
MSCI EAFE (Europe, Australasia and Far East) Index**		
<i>reflects no deduction for fees, expenses or taxes</i>	31.78%	(6.03)%

Average Annual Total Returns for each class of shares reflect sales charges.

\*Average annual total returns for life are for the periods from the commencement of each class's investment operations. Class A shares, Class B shares, and Class C shares each commenced operations on 12/29/06. Class Y shares commenced operations on 12/31/09. Indices average annual total return for life is from 12/29/06.

\*\*The MSCI ACWI (All Country World Index) Index ex USA includes securities issued by emerging market companies whereas the MSCI EAFE (Europe, Australasia and Far East) Index does not. Because Davis International Fund is expected to continue to invest a significant portion of its assets in emerging market companies the board of directors deemed the MSCI ACWI (All Country World Index) Index ex USA to be the more appropriate index.

After-tax returns are shown only for Class A shares; after-tax returns for other share classes will vary. After-tax returns are calculated using the highest individual federal income tax rates in effect during each year of the periods shown and do not reflect the impact of state and local taxes. Your actual after-tax returns depend on your individual tax situation and likely will differ from the results shown above. In addition, after-tax returns are not relevant if you hold your fund shares through a tax-deferred arrangement, such as a 401(k) plan, individual retirement account (IRA) or 529 college savings plan.

### **Investment Adviser**

Davis Selected Advisers, L.P., which serves as the Davis International Fund's investment adviser, uses a system of multiple portfolio managers in managing the fund's assets.

### **Sub-Adviser**

Davis Selected Advisers-NY, Inc., a wholly owned subsidiary of the adviser, serves as the fund's sub-adviser.

### **Portfolio Managers**

<b>Portfolio Managers Fund Title (if applicable)</b>	<b>Experience with this Fund</b>	<b>Primary Title with Investment Adviser or Sub-Adviser</b>
<b>Stephen Chen</b>	Since December 2006	Vice President  Davis Selected Advisers-NY, Inc.
<b>Andrew Davis</b>	Since January 2008	President  Davis Selected Advisers, L.P.
<b>Christopher Davis</b> President	Since December 2006	Chairman  Davis Selected Advisers, L.P.
<b>Danton Goei</b>	Since December 2006	Vice President  Davis Selected Advisers-NY, Inc.
<b>Tania Pouschine</b>	Since December 2006	Vice President  Davis Selected Advisers-NY, Inc.
<b>Chandler Spears</b>	Since January 2008	Vice President  Davis Selected Advisers-NY, Inc.

## Purchase and Sale of Fund Shares

	Class A, B and C Shares	Class Y Shares
Minimum Initial Investment	\$1,000	\$5,000,000 <sup>(1)</sup>
Minimum Additional Investment	\$25	\$25

<sup>(1)</sup> Class Y shares may only be purchased by certain institutions. The minimum investment may vary depending on the type of institution.

You may sell (redeem) shares each day the New York Stock Exchange is open. Your transaction may be placed through your dealer or financial adviser, by writing to Davis Funds c/o State Street Bank and Trust Company, P.O. Box 8406, Boston, MA 02266-8406, telephoning (800/279-0279) or accessing our website (davisfunds.com).

## Tax Information

Dividends and capital gain distributions you receive from the Davis International Fund are subject to federal income taxes and may also be subject to state and local taxes.

## Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase shares of the Davis International Fund through a broker-dealer or other financial intermediary (such as a bank), the fund and the fund's distributor or its affiliates may pay the intermediary for the sale of fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your sales person to recommend the fund over another investment. Ask your individual financial adviser or visit your financial intermediary's website for more information.

## **Investment Objectives, Principal Strategies, and Principal Risks**

### **Investment Objectives**

The investment objective of both Davis Global Fund and Davis International Fund (collectively, the Funds) is long-term growth of capital. The funds' investment objective is not a fundamental policy and may be changed by the Board of Directors without a vote of shareholders. The funds' prospectus would be amended prior to any change in investment objective and shareholders would be promptly notified of the change.

### **Principal Investment Strategies**

Davis Advisors uses the Davis Investment Discipline to invest the majority of the funds' assets in equity securities. See "The Davis Investment Discipline" below. The principal difference between the funds' investment strategies is that Davis Global Fund will normally invest a portion of its assets in equity securities issued by U.S. companies while Davis International Fund normally will not invest in securities issued by U.S. companies. Investments in foreign securities may be made through the purchase of individual securities on recognized exchanges and developed over-the-counter markets, through American Depository Receipts ("ADRs") or Global Depository Receipts ("GDRs") covering such securities. For a more complete description of ADRs and GDRs see the Statement of Additional Information.

### **The Davis Investment Discipline**

Davis Advisors manages equity funds using the Davis Investment Discipline. Davis Advisors conducts extensive research to try to identify businesses that possess characteristics which we believe foster the creation of long-term value, such as proven management, a durable franchise and business model, and sustainable competitive advantages. We aim to invest in such businesses when they are trading at discounts to their intrinsic worth. We emphasize individual stock selection and believe that the ability to evaluate management is critical. We routinely visit managers at their places of business in order to gain insight into the relative value of different businesses. Such research, however rigorous, involves predictions and forecasts that are inherently uncertain.

Over the years, Davis Advisors has developed a list of characteristics that we believe help companies to create shareholder value over the long term and manage risk. While few companies possess all of these characteristics at any given time, Davis Advisors searches for companies that demonstrate a majority or an appropriate mix of these characteristics.

#### ***First Class Management***

- Proven Track Record
- Significant Alignment of Interest in Business
- Intelligent Application of Capital

#### ***Strong Financial Condition and Satisfactory Profitability***

- Strong Balance Sheet
- Low Cost Structure
- High Returns on Capital

### ***Strong Competitive Positioning***

- Non-Obsolescent Products / Services
- Dominant or Growing Market Share
- Global Presence and Brand Names

After determining which companies we wish to own, we then turn our analysis to determining the intrinsic value of those companies' equity securities. We seek equity securities which can be purchased at attractive valuations relative to their intrinsic value. Our goal is to invest in companies for the long term. We consider selling a company's equity securities if the securities' market price exceeds Davis Advisors' estimates of intrinsic value, or if the ratio of the risks and rewards of continuing to own the company's equity securities is no longer attractive.

### **Principal Risks**

If you buy shares of Davis Global Fund or Davis International Fund, you may lose some or all of the money that you invest. The investment return and principal value of an investment in either fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. This section describes what we think are the most significant factors (but not the only factors) that could cause the value of your investment in the funds to decline, and which could prevent the funds from achieving their stated objective.

- **Market risk.** The market value of shares of equity securities can change rapidly and unpredictably as a result of political or economic events having little or nothing to do with the performance of the companies in which we invest.
- **Company risk.** Equity securities represent ownership positions in companies. These securities may include, without limitation, common stocks, preferred stocks and securities with equity conversion or purchase rights. The prices of equity securities fluctuate based on changes in the financial condition of their issuers and on market and economic conditions. Events that have a negative impact on a business probably will be reflected in a decline in the price of its equity securities. Furthermore, when the total value of the stock market declines, most equity securities, even those issued by strong companies, will likely decline in value. There is also the inherent risk that holders of common stock generally are behind creditors and holders of preferred stock for payments in the event of the bankruptcy of a stock issuer.
- **Foreign country risk.** The funds invest a significant portion of their assets in companies operating, incorporated, or principally traded in foreign countries. Investing in foreign countries involves risks that may cause the funds' performance to be more volatile than it would be if the funds invested primarily in the United States. Foreign economies may not be as strong or as diversified, foreign political systems may not be as stable, and foreign financial reporting standards may not be as rigorous as they are in the United States. In addition, foreign capital markets may not be as well developed, so securities may be less liquid, transaction costs may be higher, and investments may be subject to more government regulation.

Rather than investing directly in equity securities issued by foreign companies, the funds may invest in these companies through ADRs or GDRs covering such securities. ADRs and GDRs, are U.S. dollar-denominated and represent the deposit with U.S. banks of the securities of foreign issuers and are publicly traded on exchanges or are traded over-the-counter in the United States. Similar to direct investments in foreign securities ADRs and GDRs are subject to the risks of changes in currency or exchange rates and the economic or political trends in foreign countries. In addition, ADRs and GDRs

may be subjected to losses if the U.S. banks issuing the ADRs or GDRs fail to support the ADRs and GDRs which they issue.

- **Foreign currency risk.** Securities issued by foreign companies are frequently denominated in foreign currencies. 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. The funds may, but generally do not, hedge their currency risk. When the value of a foreign currency declines against the U.S. dollar, the value of the fund's shares will tend to decline.
- **Emerging market risk.** The funds invest in emerging or developing markets. Securities of issuers in emerging and developing markets may offer special investment opportunities, but present risks not found in more mature markets. Those securities may be more difficult to sell at an acceptable price and their prices may be more volatile than securities of issuers in more developed markets. Settlements of trades may be subject to greater delays so that the funds might not receive the proceeds of a sale of a security on a timely basis. In unusual situations it may not be possible to repatriate sales proceeds in a timely fashion. These investments may be very speculative.

Emerging markets might have less developed trading markets and exchanges. These countries may have less developed legal and accounting systems and investments may be subject to greater risks of government restrictions on withdrawing the sale proceeds of securities from the country. Companies operating in emerging markets may not be subject to U.S. prohibitions against doing business with countries which are state sponsors of terrorism. Economies of developing countries may be more dependent on relatively few industries that may be highly vulnerable to local and global changes. Governments may be more unstable and present greater risks of nationalization, expropriation, or restrictions on foreign ownership of stocks of local companies.

- **Small- and medium-capitalization risk.** Investing in small- and medium-capitalization companies may be more risky than investing in large-capitalization companies. Small and mid-size companies typically have more limited product lines, markets and financial resources than larger companies, and their securities may trade less frequently and in more limited volume than those of larger, more mature companies.
- **Over-the-Counter ("OTC") Risk.** OTC transactions involve risks in addition to those associated with transactions traded on exchanges. The values of OTC stocks may be more volatile than exchange-listed stocks, and the fund may be subject to liquidity risk, which may cause the fund to experience difficulty in purchasing or selling these securities at a fair price. The fund will be subject to the credit risk of its counterparty to an OTC transaction.
- **Fees and Expenses risk.** The funds may not earn enough through income and capital appreciation to offset the operating expenses of the funds. All mutual funds incur operating fees and expenses. Fees and expenses reduce the return which a shareholder may earn by investing in a fund. A low return environment, or a bear market, increases the risk that a shareholder may lose money.
- **Headline risk.** We seek to acquire companies with durable business models that can be purchased at attractive valuations relative to what Davis Advisors believes to be the companies' intrinsic values. We may make such investments when a company becomes the center of controversy after receiving adverse media attention. The company may be involved in litigation, the company's financial reports or corporate governance may be challenged, the company's public filings may disclose a weakness in internal controls, greater government regulation may be contemplated, or other adverse events may threaten the company's future. While we research companies subject to such contingencies, we cannot be correct every time, and the company's stock may never recover.

Funds' shares 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.

### **Additional Investment Strategies**

The funds may also purchase other kinds of securities (including securities issued by U.S. companies), engage in active trading (which would increase portfolio turnover and commission expenses and could increase taxable distributions), or employ other investment strategies that are not principal investment strategies if, in Davis Advisors' professional judgment, the securities, trading, or investment strategies are appropriate. Factors that Davis Advisors considers in pursuing these other strategies include whether the strategies: (i) would be consistent with shareholders' reasonable expectations; (ii) would assist the funds in pursuing its investment objective; (iii) are consistent with the fund's investment strategy; (iv) would cause the funds to violate any of their investment restrictions; or (v) would materially change the fund's risk profile as described in the funds' Prospectus and Statement of Additional Information, as amended from time to time. The Statement of Additional Information discusses these securities and investment strategies.

**Short-Term Investments.** The funds use short-term investments, such as treasury bills and repurchase agreements, to maintain flexibility while evaluating long-term opportunities. The funds may also use short-term investments for temporary defensive purposes. At such times the funds will not be pursuing its normal investment policies. In the event that our Portfolio Managers anticipate a decline in the market values of the companies in which the funds invest (due to economic, political or other factors), the funds may reduce their risk by investing in short-term securities until market conditions improve. Unlike equity securities, these investments will not appreciate in value when the market advances and will not contribute to long-term growth of capital.

For more details concerning current investments and market outlook, please see the funds' most recent shareholder report.

### **Portfolio Holdings**

A description of Davis Funds' policies and procedures with respect to the disclosure of the funds' portfolio holdings is available in the Statement of Additional Information.

Davis Funds' portfolio holdings are published twice a year in the Annual and Semi-Annual Reports which are mailed approximately 60 days after the end of the fund's second and fourth fiscal quarters. In addition, each fund publishes its portfolio holdings on the Davis Funds' website ([www.davisfunds.com](http://www.davisfunds.com)) and the SEC website ([www.sec.gov](http://www.sec.gov)) approximately 60 days after the end of each fiscal quarter. Other information concerning the funds' portfolio holdings may also be published on the Davis Funds' website from time to time.

### **Management and Organization**

Davis Selected Advisers, L.P. ("Davis Advisors") serves as the investment adviser for each of the Davis Funds. Davis Advisors' offices are located at 2949 East Elvira Road, Suite 101, Tucson, Arizona 85756. Davis Advisors provides investment advice for the Davis Funds, manages their business affairs, and provides day-to-day administrative services. Davis Advisors also serves as investment adviser for other mutual funds and institutional and individual clients. For the fiscal year ended October 31, 2009, Davis Advisors' total management fee paid by the Funds for its services (based on average net assets) was 0.67 % for Davis Global Fund and 0.67% for Davis International Fund. A discussion regarding the basis for the approval of the funds' investment advisory and service agreement by the funds' board of directors is contained in the funds' most recent semi-annual report to shareholders.

Davis Selected Advisers–NY, Inc., serves as the sub-adviser for each of the Davis Funds. Davis Selected Advisers–NY, Inc.’s offices are located at 609 Fifth Avenue, New York, New York 10017. Davis Selected Advisers–NY, Inc., provides investment management and research services for the Davis Funds and other institutional clients, and is a wholly owned subsidiary of Davis Advisors. Davis Selected Advisers–NY, Inc.’s fee is paid by Davis Advisors, not the Davis Funds.

**Execution of Portfolio Transactions.** Davis Advisors places orders with broker-dealers for Davis Funds’ portfolio transactions. Davis Advisors seeks to place portfolio transactions with brokers or dealers who will execute transactions as efficiently as possible and at the most favorable net price. In placing executions and paying brokerage commissions or dealer markups, Davis Advisors considers price, commission, timing, competent block trading coverage, capital strength and stability, research resources, and other factors. Subject to best price and execution, Davis Advisors may place orders for Davis Funds’ portfolio transactions with broker-dealers who have sold shares of Davis Funds. However, when Davis Advisors places orders for Davis Funds’ portfolio transactions, it does not give any consideration to whether a broker-dealer has sold shares of Davis Funds. In placing orders for Davis Funds’ portfolio transactions, the Adviser does not commit to any specific amount of business with any particular broker-dealer.

Over the last three years Davis Global Fund and Davis International Fund paid the following brokerage commissions:

	<i>For the Year ended October 31,</i>		
	<u>2009</u>	<u>2008</u>	<u>2007*</u>
<b><u>Davis Global Fund</u></b>			
Brokerage commissions paid:	\$40,372	\$83,914	\$60,954
Brokerage as a percentage of average net assets:	0.07%	0.09%	0.17%
<b><u>Davis International Fund</u></b>			
Brokerage commissions paid:	\$6,226	\$7,383	\$24,351
Brokerage as a percentage of average net assets:	0.06%	0.04%	0.17%

\* For Davis Global Fund the figures for 2007 represent a full 12 months. For Davis International Fund the figures for 2007 are for the period from December 29, 2006 (inception) through October 31, 2007.

## Portfolio Managers

**Davis Global Fund and Davis International Fund are Team Managed.** Davis Advisors uses a system of multiple Portfolio Managers to manage both Davis Global Fund and Davis International Fund. Under this approach, the Portfolio Managers of each fund is divided into segments managed by individual Portfolio Managers. The Portfolio Manager responsible for overseeing and allocating segments of the funds' assets to the other Portfolio Managers and five Portfolio Managers managing the largest portion of the fund's assets as of the latest calendar quarter-end prior to the date of this prospectus are listed below. Portfolio Managers decide how their respective segments will be invested. All investment decisions are made within the parameters established by the fund's investment objectives, strategies, and restrictions.

- **Stephen Chen** has served as a Portfolio Manager of both Davis Global Fund and Davis International Fund since their inceptions in December 2004 and December 2006, respectively. Mr. Chen also serves as a Portfolio Manager or research analyst for other equity funds advised by Davis Advisors. Mr. Chen joined Davis Advisors in December 2002.
- **Andrew Davis** has served as a Portfolio Manager of both Davis Global Fund and Davis International Fund since January 2008. Mr. Davis also serves as a Portfolio Manager for other equity funds advised by Davis Advisors. Mr. Davis joined Davis Advisors in February 1993.
- **Christopher Davis** has served as a Portfolio Manager of both Davis Global Fund and Davis International Fund since their inceptions in December 2004, and December 2006, respectively. Mr. Davis also serves as a Portfolio Manager for other equity funds advised by Davis Advisors. Mr. Davis joined Davis Advisors in September 1989. Mr. Davis oversees the other Portfolio Managers of Davis Global Fund and Davis International Fund and allocates segments of the funds to each of them to invest.
- **Danton Goei** has served as a Portfolio Manager of both Davis Global Fund and Davis International Fund since their inceptions in December 2004 and December 2006, respectively. Mr. Goei also serves as a Portfolio Manager or research analyst for other equity funds advised by Davis Advisors. Mr. Goei joined Davis Advisors in November 1998.
- **Tania Pouschine** has served as a Portfolio Manager of both Davis Global Fund and Davis International Fund since their inceptions in December 2004 and December 2006, respectively. Ms. Pouschine also serves as a Portfolio Manager or research analyst for other equity funds advised by Davis Advisors. Ms. Pouschine joined Davis Advisors in July 2003.
- **Chandler Spears** has served as a Portfolio Manager of both Davis Global Fund and Davis International Fund since January 2008. Mr. Spears also serves as a Portfolio Manager or research analyst for other equity funds advised by Davis Advisors. Mr. Spears joined Davis Advisors in November 2000.

The Statement of Additional Information provides additional information about the Portfolio Managers' compensation, other accounts managed by the Portfolio Managers and the Portfolio Managers' investments in the funds.

## **Shareholder Information**

### **Procedures and Shareholder Rights are Described by Current Prospectus and Other Disclosure Documents**

Among other disclosures, the funds' most current prospectus, Statement of Additional Information, Annual and Semi-Annual Reports, and other documents describe (a) the procedures which the funds follow when interacting with shareholders; and (b) shareholders' rights. The fund's procedures and shareholders' rights may change from time to time to reflect changing laws, rules, and operations. The funds' prospectus and other disclosure documents will be amended from time to time to reflect these changes.

### **How Your Shares are Valued**

Once you open your Davis Funds account, you may buy or sell shares on any day that the New York Stock Exchange is open for trading. The price of your shares in a Davis Fund is based upon the total value of the fund's investments. Your account balance may change daily because the share price may change daily.

The value of one share of a Davis Fund, also known as the net asset value, or NAV, is calculated at 4 p.m. Eastern time, on each day the New York Stock Exchange is open or as of the time the Exchange closes, if earlier.

The business sections of many, but not all, major newspapers publish Davis Funds' daily net asset values. If you have access to the Internet, you can also check the net asset value on our website ([www.davisfunds.com](http://www.davisfunds.com)).

### ***Valuation of Portfolio Securities***

Your shares will be purchased or sold at the net asset value next determined after Davis Funds' transfer agent or other qualified financial intermediary receives your request to purchase or sell shares, including all documents which are required to constitute a legal purchase or sale of shares (See "Buying More Shares," "Selling Shares," and "Exchanging Shares" below). Class A shares are generally purchased at net asset value plus a sales charge. A contingent deferred sales charge may apply at the time you sell.

The funds' portfolio securities are valued primarily on the basis of market quotations. However, Davis Funds have adopted procedures for making "fair value" determinations if market quotations are not readily available or Davis Advisors deems market quotations to be unreliable. Fair valuation guidelines and procedures have been adopted by the board of directors and are implemented by Davis Advisors and a pricing committee which reports to the board of directors. The funds use fair value prices any time Davis Advisors concludes that reliable market quotations for the funds' portfolio securities are not readily available from an approved third-party pricing service or from independent brokers. Examples of when fair value pricing may be used include when a fund holds illiquid or thinly traded securities, and securities whose values have been affected by a significant event occurring after the close of their primary markets. Davis Funds use an independent vendor to assist in fair value pricing of foreign securities when deemed appropriate. The use of fair value pricing by the funds may cause the net asset value of its shares to differ significantly from the net asset value that would be calculated using last reported prices.

The funds make substantial investments in foreign securities. Many of the funds' securities may be traded in markets that close at a different time than when the funds' shares are priced. Events affecting portfolio values that occur after the time that such markets close and the time the funds' shares are priced may result in the use of fair value pricing, as described above. Likewise, because foreign securities trade in markets and exchanges that operate on U.S. holidays and weekends, the values of some of the funds' foreign investments might change significantly on those days when investors cannot buy or redeem shares. Davis

Funds have adopted procedures designed to identify and react to significant events in foreign markets that would have a material effect on a fund's net asset value. Notwithstanding, the net asset value of a fund's shares may change on days when shareholders will not be able to purchase or redeem fund shares.

Securities denominated in foreign currencies and traded in foreign markets will have their values converted into U.S. dollar equivalents at the prevailing exchange rates as computed by State Street Bank and Trust. Fluctuation in the values of foreign currencies in relation to the U.S. dollar may affect the net asset value of a fund's shares even if there has not been any change in the foreign currency prices of that fund's investments.

## **How We Pay Earnings**

There are two ways you can receive payments from the Davis Fund you invest in:

- **Dividends.** Dividends are distributions to shareholders of net investment income and short-term capital gains on investments.
- **Capital Gains.** Capital gains are profits received by a fund from the sale of securities held for the long term, which are then distributed to shareholders.

If you would like information about when a particular Davis Fund pays dividends and distributes capital gains, please call 1-800-279-0279. Unless you choose otherwise, the Davis Funds will automatically reinvest your dividends and capital gains in additional fund shares.

You can request to have your dividends and capital gains paid to you by check or deposited directly into your bank account. Dividends and capital gains of \$50 or less will not be sent by check but will be reinvested in additional fund shares.

We also offer a **Dividend Diversification Program**, which allows you to have your dividends and capital gains from one Davis Fund reinvested in shares of another Davis Fund.

You will receive a statement each year detailing the amount of all dividends and capital gains paid to you during the previous year. To ensure that these distributions are reported properly to the U.S. Treasury, you must certify on your Davis Funds Application Form or on IRS Form W-9 that your Taxpayer Identification Number is correct and you are not subject to backup withholding. If you are subject to backup withholding, or you did not certify your Taxpayer Identification Number, the IRS requires the Davis Funds to withhold a percentage of any dividends paid and redemption or exchange proceeds received.

### ***How to Put Your Dividends and Capital Gains to Work***

You can have all of your dividends and capital gains automatically invested in the same fund or the same share Class of any other Davis Fund. To be eligible for this **Dividend Diversification Program**, all accounts involved must be registered under the same name and same Class of shares and have a minimum initial value of \$1,000. Shares are purchased at the chosen fund's net asset value on the dividend payment date. You can make changes to your selection or withdraw from the program at any time. To participate in this program, fill out the cross-reinvest information in the appropriate section of the Application Form. If you wish to establish this program after your account has been opened, call for more information.

## **Dividends and Distributions**

- The Davis long-term growth funds (i.e., Davis New York Venture Fund, Davis Opportunity Fund, Davis Financial Fund, Davis Global Fund and Davis International Fund) ordinarily distribute their dividends and capital gains, if any, in December.
- The Davis growth & income funds (i.e., Davis Real Estate Fund and Davis Appreciation & Income Fund) ordinarily distribute dividends quarterly and capital gains, if any, in December.
- Davis Government Bond Fund and Davis Government Money Market Fund ordinarily distribute dividends monthly. Davis Government Bond Fund ordinarily distributes capital gains, if any, in December. Davis Government Money Market Fund does not ordinarily distribute capital gains.
- When a dividend or capital gain is distributed, the net asset value per share is reduced by the amount of the payment. Davis Government Bond Fund's and Davis Government Money Market Fund's net asset values are not affected by dividend payments.
- You may elect to reinvest dividend and/or capital gain distributions to purchase additional shares of any Davis Fund, or you may elect to receive them in cash. Many shareholders do not elect to take capital gain distributions in cash because these distributions reduce principal value.
- If a dividend or capital gain distribution is for an amount less than \$50, the fund will not issue a check. Instead, the dividend or capital gain distribution will be automatically reinvested in additional shares of the fund.
- If a dividend or capital gain distribution check remains uncashed for six months or is undeliverable by the United States Postal Service, we will reinvest the dividend or distribution in additional shares of the fund promptly after making this determination; and future dividends and capital gains distributions will be automatically reinvested in additional shares of the fund.

## **Federal Income Taxes**

### ***Taxes on Distributions***

Distributions you receive from the funds may be subject to income tax and may also be subject to state or local taxes unless you are exempt from taxation.

For federal tax purposes, any taxable dividends and distributions of short-term capital gains are treated as ordinary income. The funds' distributions of net long-term capital gains are taxable to you as long-term capital gains. Any taxable distributions you receive from the funds will normally be taxable to you when made, regardless of whether you reinvest distributions or receive them in cash.

Davis Funds will send you a statement each year showing the tax status of your fund distributions.

### ***Taxes on Transactions***

Your redemptions, including exchanges, may result in a capital gain or loss for federal tax purposes. A capital gain or loss on your investment is the difference between the cost of your shares, including any sales charges, and the price you receive when you sell them.

More information concerning federal taxes is available in the Statement of Additional Information. We recommend that you consult with a tax advisor about dividends and capital gains that you may receive from the Davis Funds.

## **Fees and Expenses of the Fund**

Each fund must pay operating fees and expenses.

### ***Management Fee***

The management fee covers the normal expenses of managing the funds, including compensation, research costs, corporate overhead expenses and related expenses. The difference in the fee structure between the Classes is primarily the result of fees and expenses paid by the funds to dealers and financial institutions for providing services to shareholders. Accordingly, the core investment advisory expenses do not vary by Class. Different fees and expenses will affect performance.

### ***12b-1 Fees***

The Davis Funds have Plans of Distribution or “12b-1 Plans” under which the funds may use their own assets to finance distribution activities. The 12b-1 Plans are used primarily to pay dealers and other institutions for providing services to Davis Funds’ shareholders. The 12b-1 Plans provide for annual distribution expenses of up to 0.25% of the average daily net asset value of the Class A shares; and up to the lesser of 1.25% of the average daily net asset value of the Class B or C shares or the maximum amount provided by applicable rule or regulation of the Financial Industry Regulatory Authority (“FINRA”), which is 1.00% at present.

For Class A, B, or C shares, up to 0.25% of distribution expenses may be used to pay service fees to qualified dealers providing certain shareholder services. These services may include, but are not limited to, assessing a client’s investment needs and recommending suitable investments on an ongoing basis. In lieu of front-end sales charge (as assessed upon the sale of Class A shares), up to an additional 1.00% of distribution expenses may be paid for Class B and C shares. Because distribution expenses are paid out of a fund’s assets on an ongoing basis, these fees will increase the cost of your investment over time and may cost you more than paying other types of sales charges. Thus, the higher fees for Class B and C shares may cost you more over time than paying the initial sales charge for Class A shares.

Class B and Class C shares contingent deferred sales charges and asset-based sales charges have the same purpose as the front-end sales charge on sales of Class A shares, i.e. to compensate dealers and other financial institutions for their services. The fees are paid by the funds to dealers and financial institutions for providing services to their clients.

Class Y shares do not have a plan of distribution.

### ***Other Expenses***

Other expenses include miscellaneous fees from affiliated and outside service providers. These fees may include legal, audit and custodial fees, the costs of printing and mailing of reports and statements, automatic reinvestment of distributions and other conveniences, and payments to third parties that provide recordkeeping services or administrative services for investors in the funds.

### ***Total Fund Operating Expenses***

The total cost of operating a mutual fund is reflected in its expense ratio. A shareholder does not pay operating costs directly; instead, operating costs are deducted before the fund’s NAV is calculated and are expressed as a percentage of the fund’s average daily net assets. The effect of these fees is reflected in the performance results for that Class of shares. Investors should examine total operating expenses closely in the prospectus, especially when comparing one fund with another fund in the same investment category.

## **Fees Paid to Dealers and Other Financial Intermediaries**

Broker-dealers and other financial intermediaries (“Qualifying dealers”) may charge Davis Distributors, LLC (the “Distributor”) or the Adviser substantial fees for selling Davis Funds’ shares and providing continuing support to shareholders. Qualifying dealers may charge (i) sales commissions from sales charges paid by purchasing shareholders; (ii) distribution and service fees from the funds’ 12b-1 distribution plans; (iii) record-keeping fees from the funds for providing record-keeping services to investors who hold Davis Funds shares through dealer-controlled omnibus accounts; and (iv) other fees, described below, paid by Davis Advisors or the Distributor from their own resources.

Qualifying dealers may, as a condition to distributing shares of the Davis Funds, request that the Distributor, or the Adviser, pay or reimburse the Qualifying dealer for: (i) marketing support payments including business planning assistance, educating personnel about the Davis Funds, and shareholder financial planning needs, placement on the dealer’s list of offered funds, and access to sales meetings, sales representatives and management representatives of the dealer; and (ii) financial assistance charged to allow the Distributor to participate in and/or present at conferences or seminars, sales or training programs for invited registered representatives and other employees, client and investor events and other dealer-sponsored events. These additional fees are sometimes referred to as “revenue sharing” payments. A number of factors are considered in determining fees paid to Qualifying dealers, including the dealer’s sales and assets, and the quality of the dealer’s relationship with the Distributor. Fees are generally based on the value of shares of the fund held by the dealer or financial institution for its customers or based on sales of fund shares by the dealer or financial institution, or a combination thereof. Davis Advisors may use its profits from the advisory fee it receives from the fund to pay some or all of these fees. Some dealers may also choose to pay additional compensation to their registered representatives who sell the funds. Such payments may be associated with the status of a fund on a financial intermediary’s preferred list of funds or otherwise associated with the financial intermediary’s marketing and other support activities. The foregoing arrangements may create an incentive for the brokers, dealers or other financial institutions, as well as their registered representatives, to sell the Davis Funds rather than other funds.

In 2009, the Distributor, or the Adviser, was charged additional fees by the Qualifying dealers listed below. The Distributor paid these fees from its own resources. These Qualifying dealers may provide the Davis Funds enhanced sales and marketing support and financial advisers employed by the Qualifying dealers may recommend the Davis Funds rather than other funds. Qualifying dealers may be added or deleted at any time.

ADP Broker Dealer, Inc.; Ameriprise Financial Services, Inc.; Charles Schwab & Co., Inc.; Citigroup Global Markets, Inc.; Comerica Bank; Diversified Investment Advisors, Inc.; Fidelity Brokerage Services, LLC.; Genworth Life Insurance Company of New York; Genworth Life and Annuity Insurance Company; Hartford Life Insurance Company; Hartford Securities Distribution Company, Inc; HSBC Bank USA; ING Life Insurance and Annuity Co.; ING Financial Advisers, LLC; John Hancock Life Insurance Company (U.S.A.); John Hancock Life Insurance Company of New York; Marshall & Ilsley Trust Company; Massachusetts Mutual Life Insurance Co.; Mercer HR Services LLC; Merrill Lynch, Pierce, Fenner & Smith, Inc.; Merrill Lynch Life Insurance Co.; Morgan Stanley & Co., Inc.; Morgan Stanley Smith Barney LLC; National Financial Services, LLC.; Nationwide Financial Services, Inc.; New York Life Distribution; Prudential Investment Management Services, LLC.; Raymond James & Associates, Inc.; Standard Insurance Company; The Guardian Insurance & Annuity Company, Inc.; The Princeton Retirement Group, Inc.; The Vanguard Group, Inc.; UBS Financial Services, Inc.; Wachovia Bank N.A.; Wachovia Bank N.A., Executive Benefits Group; Wachovia Securities, Inc.; Wells Fargo, N.A.

In addition, the Distributor may, from time to time, pay additional cash compensation or other promotional incentives to authorized dealers or agents who sell shares of the Davis Funds. In some instances, such cash compensation or other incentives may be offered only to certain dealers or agents who employ registered representatives who have sold or may sell significant amounts of shares of the Davis Funds during specified periods of time.

Although Davis Funds may use brokers who sell shares of the funds to execute portfolio transactions, the funds do not consider the sale of fund shares as a factor when selecting brokers to execute portfolio transactions.

Investors should consult their financial intermediaries regarding the details of payments they may receive in connection with the sale of fund shares.

**Due Diligence Meetings.** The Distributor routinely sponsors due diligence meetings for registered representatives during which they receive updates on various Davis Funds and are afforded the opportunity to speak with the Adviser's Portfolio Managers. Invitation to these meetings is not conditioned on selling a specific number of shares. Those who have shown an interest in Davis Funds, however, are more likely to be considered. To the extent permitted by their firm's policies and procedures, registered representatives' expenses in attending these meetings may be covered by the Distributor.

**Seminars and Educational Meetings.** The Distributor may defray certain expenses of Qualifying dealers incurred in connection with seminars and other educational efforts subject to the Distributor's policies and procedures governing payments for such seminars. The Distributor may share expenses with Qualifying dealers for costs incurred in conducting training and educational meetings about various aspects of the funds for the employees of Qualifying dealers. In addition, the Distributor may share expenses with Qualifying dealers for costs incurred in hosting client seminars at which the fund is discussed.

**Recordkeeping Fees.** Certain Qualifying dealers have chosen to maintain "omnibus accounts" with Davis Funds. In an omnibus account, the fund maintains a single account in the name of the dealer and the dealer maintains all of its clients' individual shareholder accounts. Likewise, for many retirement plans, a third party administrator may open an omnibus account with the Davis Funds and the administrator will then maintain all of the participant accounts. Davis Advisors, on behalf of the funds, enters into agreements whereby the funds are charged by the dealer or administrator for such recordkeeping services.

Recordkeeping services typically include: (i) establishing and maintaining shareholder accounts and records; (ii) recording shareholder account balances and changes thereto; (iii) arranging for the wiring of funds; (iv) providing statements to shareholders; (v) furnishing proxy materials, periodic Davis Funds reports, prospectuses and other communications to shareholders as required; (vi) transmitting shareholder transaction information; and (vii) providing information in order to assist Davis Funds in their compliance with state securities laws. Each Davis Fund typically would be paying these shareholder servicing fees directly if a Qualifying dealer did not hold all customer accounts in a single omnibus account with each Davis Fund.

**Other Compensation.** The Distributor may, from its own resources and not from the funds', pay additional fees to the extent not prohibited by state or federal laws, the Securities and Exchange Commission (SEC), or any self-regulatory agency, such as the Financial Industry Regulatory Authority (FINRA).

## How to Choose A Share Class

Before you buy shares in any Davis Fund, you need to decide which class of shares best suits your needs. Davis Funds offer four classes of shares: A, B, C and Y. Each class is subject to different expenses and sales charges. Class Y shares are generally available only to qualified institutional investors.

The difference in the fee structures between the classes is primarily the result of their separate arrangements for shareholder and distribution services and is not the result of any difference in the amounts charged by Davis Advisors for investment advisory services. Accordingly, the investment advisory expenses do not vary by class.

You may choose to buy one class of shares rather than another depending on the amount of the purchase and the expected length of time of investment. Long-term shareholders of Class B or C shares may pay more than the maximum front-end sales charge allowed by FINRA.

### Class A Shares

Class A shares may be best for you if you are a long-term investor who is willing to pay the entire sales charge at the time of purchase. In return, you pay a lower distribution fee than Class B or C shares.

- For any investment below \$100,000, you buy Class A shares at their net asset value per share plus a sales charge, which is approximately 4.75% of the offering price (see chart following). The term “offering price” includes the front-end sales charge.
- There is no limit to how much you can invest in this share class.
- Davis Funds (other than Davis Government Money Market Fund) pay a distribution fee — up to 0.25% of the average daily net assets — each year you hold the shares. This fee is lower than the fee you pay for the other two classes of shares. Lower expenses of Class A shares translate into higher annual return on net asset value than Class B or C shares.

### Class A Shares Sales Charges

for all Davis Funds except Davis Government Money Market Fund

Amount of Purchase	Sales Charge approximate percentage of offering price	Sales Charge approximate percentage of net amount invested	Amount of Sales Charge Retained by Dealer percentage of offering price
Under \$100,000	4.75%	4.99%	4.00%
\$100,000 – \$249,999	3.50%	3.63%	3.00%
\$250,000 – \$499,999	2.50%	2.56%	2.00%
\$500,000 – \$749,999	2.00%	2.04%	1.75%
\$750,000 – \$999,999	1.00%	1.01%	0.75%
\$1 million or more*	None	None	None

\* You pay no front-end sales charge on purchases of \$1 million or more, but if you sell those shares (in any Davis Fund other than Davis Government Money Market Fund) within the first year, a deferred sales charge of 0.50% may be deducted from the redemption proceeds.

The Distributor may pay the dealer of record commissions (on Davis Funds other than Davis Government Money Market Fund) on purchases at the annual rate described in the table below. Commissions may be paid on either: (i) Class A purchases of \$1 million or more; or (ii) Class A purchases (net of redemptions) in retirement plans which qualify for sales at net asset value. The commission will be paid only on purchases that were not previously subject to a front-end sales charge or dealer concession.

Purchase Amount	Commission
First \$5 million	0.50%
More than \$5 million	0.25%

The funds may reimburse the Distributor for these payments through its Plans of Distribution. If distribution fee limits already have been reached for the year, the Distributor itself will pay the commissions.

### ***Reduction of Class A Shares Initial Sales Charge***

As the chart above shows, the sales charge gets smaller as your purchase amount increases. There are several ways you may combine purchases to qualify for a lower sales charge. To receive a reduction in your Class A initial sales charge, you must let your dealer or Davis Funds know at the time you purchase shares that you qualify for such a reduction. If you do not let your dealer or Davis Funds know you are eligible for a reduction, you may not receive a sales charge discount to which you are otherwise entitled. To qualify for a reduction in Class A shares initial sales charge you must provide records (generally account statements are sufficient; your broker may require additional documents) of all Davis Funds shares owned which you wish to count towards the sales charge reduction.

### ***You Can Combine Purchases of Class A Shares***

- **With other “immediate family” members.** To receive a reduced Class A sales charge, investments made by yourself, your spouse, and any children under the age of 21, may be aggregated if made for your own account(s) and/or certain other accounts, such as:
  - a) trust accounts established by the above individuals. However, if the person(s) who established the trust is deceased, then the trust account may only be aggregated with accounts of the primary beneficiary of the trust;
  - b) solely controlled business accounts; or
  - c) single-participant retirement plans.
- **Through employee benefit plans.** If you buy shares through trust or fiduciary accounts and Individual Retirement Accounts (IRAs) of a single employer, the purchases will be treated as a single purchase.
- **Under a Statement of Intention.** If you enter a Statement of Intention and agree to buy Class A shares of \$100,000 or more over a thirteen-month period, all of the shares you buy during that period will be counted as a single purchase, with the exception of purchases into Davis Government Money Market Fund. Before entering a Statement of Intention, please read the terms and conditions in the Statement of Additional Information. Under a Statement of Intention, you agree to permit our service provider, State Street Bank and Trust, to hold fund shares in escrow to guarantee payment of any sales charges that may be due if you ultimately invest less than you agreed to invest over the covered thirteen-month period. Money Market Fund purchases do not count toward a Statement of Intention unless the shares were exchanged from another Davis Fund and the shares were previously subject to a sales charge.

- **Under Rights of Accumulation.** If you notify your dealer or the Distributor, you can include the Class A, B and C shares in Davis Funds you already own (excluding shares in Davis Government Money Market Fund) when calculating the price for your current purchase. These shares are valued at current offering price value to determine whether or not you qualify for a reduction in the sales charge. Money Market Fund purchases do not count toward Rights of Accumulation unless the shares were exchanged from another Davis Fund and the shares were previously subject to a sales charge.
- **Combining Rights of Accumulation (ROA) with Statement of Intention.** A shareholder can use a Statement of Intention and Rights of Accumulation in conjunction with one another; the Statement of Intention will take precedence over the Rights of Accumulation. Once the Statement of Intention has been satisfied, any new purchases into any of the linked Class A share accounts will receive the reduced sales charge.

For more information about how to reduce Class A shares initial sales charge, please visit Davis Funds' website, free of charge at [www.davisfunds.com](http://www.davisfunds.com) (which includes additional information in a clear and prominent format that includes hyperlinks), consult your broker or financial intermediary, or refer to the funds' Statement of Additional Information which is available through your financial intermediary or from the funds by calling Investor Services at **1-800-279-0279**.

### ***Class A Shares Front-End Sales Charge Waivers***

We do not impose a sales charge on purchases of Class A shares for:

- Investments in Davis Government Money Market Fund.
- Shareholders making purchases with dividends or capital gains that are automatically reinvested.
- Current and former directors, officers, and employees of any Davis Fund or Davis Advisors (or its affiliates), and their extended family. The term "extended family" includes "immediate family," which is one's spouse and children under 21, and also one's grandchildren, grandparents, parents, parents-in-law, brothers and sisters, sons- and daughters-in-law, a sibling's spouse, a spouse's sibling, aunts, uncles, nieces and nephews; relatives by virtue of a remarriage (step-children, step-parents, etc.) are included. Extended family shall include any child regardless of age.
- Davis Advisors or its affiliates.
- Registered representatives, principals, and employees (and any extended family member) of securities dealers having a sales agreement with the Distributor.
- Financial institutions acting as fiduciaries making single purchases of \$250,000 or more.
- Employee benefit plans making purchases through a single account covering at least fifty participants.
- Wrap accounts offered by securities firms, fee-based investment advisers or financial planners.
- State and local governments.
- Shareholders making purchases in certain accounts offered by securities firms that have entered into contracts with the Davis Funds and which charge fees based on assets in the account.

### ***Rollovers from Retirement Plans to IRAs***

For qualifying rollovers, you must send our service provider, State Street Bank and Trust, a written request for the rollover.

Assets from retirement plans may be invested in Class A, B, or C shares through an IRA rollover. Rollovers invested in Class A shares from retirement plans will be subject to applicable sales charges. Rollovers to Class A shares will be made without a sales charge if they meet the following requirements:

- a) the assets being rolled over were invested in Davis Funds at the time of distribution; and
- b) the rolled over assets are contributed to a Davis Funds IRA with State Street Bank and Trust as custodian.

IRA assets that rollover without a sales charge as described above will not be subject to a contingent deferred sales charge.

IRA rollover assets invested in Class A shares that are not attributable to Davis Funds investments, as well as future contributions to the IRA, will be subject to sales charges and the terms and conditions generally applicable to Class A share investments as described in the prospectus and Statement of Additional Information.

### **Class B Shares**

Class B shares may be best for you if you are willing to pay a higher distribution fee than Class A shares for seven years in order to avoid paying a front-end sales charge. The Class B contingent deferred sales charge and asset-based sales charge have the same purpose as the front-end sales charge on sales of Class A shares, i.e. to compensate the broker. Class B shares assess a higher distribution fee to pay fees and expenses charged by dealers and financial institutions for services provided to clients.

- You buy the shares at net asset value (no initial sales charge).
- The purchase maximum per transaction for Class B shares is \$50,000.
- If you have significant Davis Funds holdings, you may not be eligible to invest in Class B shares. You may not purchase Class B shares if you are eligible to purchase Class A shares at the \$100,000 or higher sales charge discount rate. See “Class A Shares Sales Charges” and “Reduction of Class A Shares Initial Sales Charge” for more information regarding sales charge discounts.
- If you sell Class B shares in any of the Davis Funds within six years of purchase, you must pay a deferred sales charge. This charge decreases over time as you own the shares (see chart following).
- After you hold Class B shares for seven years, they are converted automatically into Class A shares without incurring a front-end sales charge. As this is a dollar for dollar conversion, you may receive fewer Class A shares due to the difference in the price of the two share classes. Investors in Class A shares pay a lower distribution fee.
- Investors in Class B shares (other than Davis Government Money Market Fund) pay a distribution fee of one percent of the average daily net asset value each year they hold the shares. Higher distribution fees translate into lower annual return on net asset value.
- At redemption, the deferred sales charge for each purchase will be calculated from the date of purchase, excluding any time the shares were held in a money market fund.

*Note:* Investors who buy Class B shares of Davis Government Money Market Fund will not pay a deferred sales charge unless the money market fund shares were received in exchange for shares of another Davis Fund (see “Exchanging Shares” in this prospectus).

### ***Class B Shares Deferred Sales Charges***

*for all Davis Funds except Davis Government Money Market Fund*

<b>Sales Made After Purchase</b>	<b>Amount of Deferred Sales Charge</b>
Year 1	4%
Years 2-3	3%
Years 4-5	2%
Year 6	1%
Year 7	None

*Class B shares automatically convert to Class A shares after seven years.*

### **Class C Shares**

Class C shares may be best for you if you are willing to pay a higher distribution fee than Class A shares in order to avoid paying a front-end sales charge. The Class C contingent deferred sales charge and asset-based sales charge have the same purpose as the front-end sales charge on sales of Class A shares, i.e., to compensate the broker. Class C shares assess a higher distribution fee to pay fees and expenses charged by dealers and financial institutions for services provided to clients.

- You buy the shares at net asset value (no initial sales charge).
- The purchase maximum per transaction for Class C shares is \$500,000.
- If you have significant Davis Funds holdings, you may not be eligible to invest in Class C shares. You may not purchase Class C shares if you are eligible to purchase Class A shares at the \$1 million or more sales charge discount rate (i.e., at net asset value). See “Class A Shares Sales Charges” and “Reduction of Class A Shares Initial Sales Charge” for more information regarding sales charge discounts.
- If you sell Class C shares in any of the Davis Funds (other than Davis Government Money Market Fund) within one year of purchase, you must pay a deferred sales charge of one percent. At redemption, the deferred sales charge for each purchase will be calculated from the date of purchase, excluding any time the shares were held in a money market fund.
- Investors in Class C shares (other than Davis Government Money Market Fund) pay a distribution fee of one percent of the average daily net asset value each year they hold the shares. Higher distribution fees translate into lower annual return on net asset value.
- Class C shares do not have a conversion provision.

### **Deferred Sales Charge**

If you purchase shares subject to a contingent deferred sales charge and redeem any of those shares during the applicable holding period for the class of shares you own, the contingent deferred sales charge will be deducted from the redemption proceeds unless you are eligible for one of the waivers described below. At redemption, the deferred sales charge will be calculated from the date of each purchase, excluding any time that shares were held in a money market fund. You will pay a deferred sales charge in the following cases:

- As a Class A shareholder, only if you buy shares valued at \$1 million or more without a sales charge and sell the shares within one year of purchase.
- As a Class B shareholder, if you sell shares within six years of purchase. The percentage decreases over the six-year period.
- As a Class C shareholder, if you sell shares within one year of purchase.

To keep deferred sales charges as low as possible, we first will sell shares in your account that are not subject to a deferred sales charge (if any). We do not impose a deferred sales charge on the amount of your account value represented by an increase in net asset value over the initial purchase price, or on shares acquired through dividend reinvestments or capital gains distributions. If the net asset value has decreased the sales charge will be based on the current NAV. To determine whether the deferred sales charge applies to a redemption, we redeem shares in the following order:

- Shares in your account represented by an increase in NAV over the initial purchase price (appreciation).
- Shares acquired by reinvestment of dividends and capital gain distributions.
- Shares that are no longer subject to the deferred sales charge.
- Shares held the longest, but which are still subject to the deferred sales charge.

*Note:* Investors who buy Class B or C shares of Davis Government Money Market Fund will not pay a deferred sales charge unless the money market fund shares were received in exchange for shares of another Davis Fund (see “Exchanging Shares” in this prospectus).

### ***Deferred Sales Charge Waivers***

We will waive the deferred sales charge on sales of Class A, B and C shares of any Davis Fund if:

- You sell Class A shares that were not subject to a commission at the time of purchase (the amount of purchase totaled \$1 million or more) and the shares were held for more than a year.
- You die and were the sole owner of the account. Otherwise, shares can be redeemed without a contingent deferred sales charge following the death or disability of the last surviving shareholder, including a trustee of a grantor trust or revocable living trust for which the trustee is also the sole beneficiary. The death or disability must have occurred after the account was established. If you claim a disability you must provide evidence of a determination of disability by the Social Security Administration.
- You sell shares under a qualified retirement plan or IRA that constitutes a tax-free return of excess contributions to avoid a penalty.
- Your fund redeems the remaining shares in your account under an Involuntary Redemption.
- You qualify for an exception related to defined contribution plans. These exceptions are described in the Statement of Additional Information.
- You are a director, officer or employee of Davis Advisors or one of its affiliates (or an extended family member of a director, officer or employee).
- You sell Class B or Class C shares under the Systematic Withdrawal Plan if the aggregate value of the redeemed shares does not exceed twelve percent of the account’s value.\*

If the net asset value of the shares that you sell has increased since you purchased them, any deferred sales charge will be based on the original cost of the shares.

*\* A Systematic Withdrawal Plan may be established as either a percentage or a fixed-dollar amount. The shares that may be redeemed without a sales charge are recalculated as a percentage of the current market value of the account as of the date of each withdrawal. If established as a percentage, no sales charge will be incurred regardless of market fluctuations. If established as a fixed-dollar amount, a sales charge may be incurred if the market value of the account decreases. If you redeem shares in addition to those redeemed pursuant to the Systematic Withdrawal Plan, a deferred sales charge may be imposed on those shares and on any subsequent redemptions within a twelve-month period, regardless of whether such redemptions are pursuant to a Systematic Withdrawal Plan.*

If you have any additional questions about choosing a share class, please call us toll free at **1-800-279-0279** during business hours, 9 a.m. to 6 p.m. Eastern time. If you still are not sure about which class is best for you, contact your financial adviser.

### **Class Y Shares**

Class Y shares may be best for you if you qualify. Class Y shares are sold at net asset value per share without a sales charge directly to institutional investors. Investors in Class Y shares do not pay a distribution fee. For details on what types of institutions may purchase shares and what fund minimums apply see “How to Open an Account” in this prospectus.

## How to Open An Account

To open an account with Davis Funds you must meet the initial minimum investment for each fund you choose to invest in. For each Class A, B, or C share fund you must invest at least \$1,000. For Class Y shares the minimum investment amount is dependent on how you invest:

- At least \$5 million for an institution (trust company, bank trust, endowment, pension plan, foundation) acting on behalf of its own account or one or more clients.
- At least \$5 million for a government entity (a state, county, city, department, authority or similar government agency).
- With an account established under a “wrap account” or other fee-based program that is sponsored and maintained by a registered broker-dealer approved by the Distributor.
- At least \$500,000 for a 401(k) plan, 457 plan, employer sponsored 403(b) plan, profit sharing and money purchase pension plan, defined benefit plan, or non-qualified deferred compensation plan where plan level or omnibus accounts are held on the books of the fund.

At the Distributor’s discretion, the minimum may be waived for an account established under a “wrap account” or other fee-based program that is sponsored and maintained by a registered broker-dealer approved by the Distributor.

## Two Ways You Can Open an Account

- **By Mail.** Complete and sign the Application Form and mail it to our service provider, State Street Bank and Trust. Include a check made payable to **Davis Funds**. All purchases by check should be in U.S. dollars. **Davis Funds will not accept third-party checks, starter checks, traveler’s checks or money orders.**
- **By Dealer.** You may have your dealer order and pay for the shares. In this case, you must pay your dealer directly. Your dealer will then order the shares from the Distributor. Please note that your dealer may charge a service fee or commission for these transactions.

## Anti-Money Laundering Compliance

Davis Funds and the Distributor are required to comply with various anti-money laundering laws and regulations. Consequently, the funds or the Distributor may request additional information from you to verify your identity and the source of your funds. If you do not provide the requested information, the Davis Funds may not be able to open your account. If at any time the funds believe an investor may be involved in suspicious activity or if certain account information matches information on government lists of suspicious persons, the fund and the Distributor may choose not to establish a new account or may be required to “freeze” a shareholder’s account. They may also be required to provide a government agency or another financial institution with information about transactions that have occurred in a shareholder’s account or to transfer monies received to establish a new account, transfer an existing account or transfer the proceeds of an existing account to a governmental agency. In some circumstances, the law may not permit the funds or the Distributor to inform the shareholder that it has taken the actions described above.

## **Retirement Plan Accounts**

You can invest in Davis Funds using any of these types of retirement plan accounts:

- IRAs
- Roth IRAs
- Education Savings Accounts
- Simple IRAs
- Simplified Employee Pension (SEP) IRAs
- 403(b) Plans

State Street Bank and Trust acts as custodian for these retirement plans and charges each participant a \$15 custodial fee each year per Social Security Number. This fee will be waived for accounts sharing the same Social Security Number if the accounts total at least \$50,000 at Davis Funds. This custodial fee is automatically deducted from each account unless you elect to pay the fee directly. There is also a \$15 fee for closing retirement plan accounts. To open a retirement plan account, you must fill out a special application form. You can request this form by calling Investor Services or by visiting the Davis Funds' website.

## **Buying, Selling, and Exchanging Shares**

Once you have established an account with Davis Funds, you can add to or withdraw from your investment. This prospectus describes the types of transactions you can perform as a Davis Funds shareholder including how to initiate these transactions and the charges that you may incur (if any) when buying, selling or exchanging shares. A transaction will not be executed until all required documents have been received in a form meeting all legal requirements. Legal requirements vary depending upon the type of transaction and the type of account. Call Investor Services for instructions. These procedures and charges may change over time and the prospectus in effect at the time a transaction is initiated will describe the procedures and charges which will apply to the transaction.

## **Right to Reject or Restrict any Purchase or Exchange Order**

Purchases and exchanges should be made for long-term investment purposes only. Davis Funds and the Distributor reserve the right to reject or restrict any purchase or exchange order for any reason prior to the end of the first business day after the date that a purchase or exchange order was processed. Davis Funds are not designed to serve as a vehicle for frequent trading in response to short-term fluctuations in the securities markets. Accordingly, purchases or exchanges that are part of activity that Davis Funds or the Distributor have determined may involve actual or potential harm to a fund may be rejected.

## **Four Ways to Buy, Sell and Exchange Shares**

- **By Telephone.** Call 1-800-279-0279. You can speak directly with an Investor Services Professional during our business hours (9 a.m. to 6 p.m. Eastern time) or use our automated telephone system at any time, day or night.
- **By Online Account Access.** You may initiate most account transactions through online account access on our website, [www.davisfunds.com](http://www.davisfunds.com). Please note that certain account types, including all Class Y share accounts, may be restricted from online access.
- **By Mail.** Send the request to our service provider, State Street Bank and Trust Company.

*Regular mail:*  
Davis Funds  
c/o State Street Bank and Trust Company  
P.O. Box 8406, Boston, MA 02266-8406

*Express shipping:*  
Davis Funds  
c/o State Street Bank and Trust Company  
30 Dan Road, Canton, MA 02021-2809

- **By Dealer.** Contact a dealer who will execute the transaction through the Distributor. Please note that your dealer may charge service fees or commissions for these transactions.

The Davis Funds do not issue certificates for any class of shares. Instead, shares purchased are automatically credited to an account maintained for you on the books of the Davis Funds by State Street Bank and Trust. Transactions in the account, such as additional investments, will be reflected on regular confirmation statements from Davis Funds. Dividend and capital gain distributions, purchases through automatic investment plans and certain retirement plans, and automatic exchanges and withdrawals will be confirmed at least quarterly.

### **When Your Transactions Are Processed**

Purchases, sales, and exchanges will be processed at 4 p.m. Eastern time after Davis Funds' transfer agent or other qualified financial intermediary receives your request to purchase or sell shares, including all documents which are required to constitute a legal purchase, sale or exchange of shares (See "Buying More Shares," "Selling Shares," and "Exchanging Shares" below).

### **Buying More Shares**

You may buy more shares at any time, by mail, through a dealer or by wire. The minimum purchase amount is \$25.

- **By Mail.** When you purchase shares by mail:
  - Make the check made payable to Davis Funds;
  - If you have the investment slip from your most recent statement, include it with the check. If you do not have an investment slip, include a letter with your check stating the name of the fund, the class of shares you wish to buy, and your account number.
  - Mail the check to:

Via U.S. Postal Service  
Davis Funds  
C/O State Street Bank and Trust  
P.O. Box 8406  
Boston, MA 02266-8406

Via Overnight Mail  
Davis Funds  
C/O State Street Bank and Trust  
30 Dan Rd  
Canton, MA 02021-2809

- **Through a Dealer.** When you buy shares through a dealer, you may be charged service fees or commissions for these transactions.

- **By Telephone.** If you have a bank account listed on your account you may purchase shares via ACH (Automated Clearing House) and the funds will be pulled directly from your bank account to purchase shares. Call 800/279-0279 to use our automated phone system 24 hours a day or speak to a customer service representative Monday through Friday, 9a.m. to 6p.m. Eastern time.
- **By Internet.** If you have a bank account listed on your account you may purchase shares via ACH (Automated Clearing House) and the funds will be pulled directly from your bank account to purchase shares. See “Internet Transactions” in this prospectus for details on how to access your account through the internet.
- **By Wire.** You may wire federal funds directly to our service provider, State Street Bank and Trust. To ensure that the purchase is credited properly, follow these wire instructions:

State Street Bank and Trust Company  
 Boston, MA 02210  
 Attn: Mutual Fund Services  
**[Name of Davis Fund and Class of shares that you  
 are buying]**  
*Shareholder Name*  
*Shareholder Account Number*  
 Federal Routing Number 011000028  
 DDA Number 9904-606-2

### ***Making Automatic Investments***

An easy way to increase your investment in any Davis Fund is to sign up for the Automatic Investment Plan. Under this plan, you arrange for a predetermined amount of money to be withdrawn from your bank account and invested in fund shares. The minimum amount you can invest under the plan each month is \$25. The account minimum of \$1,000 must be met prior to establishing an automatic investment plan.

Purchases can be processed electronically on any day of the month if the institution that services your bank account is a member of the Automated Clearing House (ACH) system. Each debit should be reflected on your next bank statement.

To sign up for the Automatic Investment Plan, complete the appropriate section of the Application Form or complete an Account Service Form. You can modify your Automatic Investment Plan at any time by calling Investor Services.

### **Selling Shares**

You may sell back all or part of your shares in any Davis Fund in which you invest (also known as redeeming your shares) on any day that the fund is open at net asset value minus any sales charges that may be due. You can sell the shares by telephone, by internet, by mail or through a dealer. The minimum redemption amount is \$50, unless your account is less than \$50; in which case you must redeem the entire account.

You may sell shares in any of the following ways:

- **By Mail.** To sell shares by mail, send the request to one of the addresses below. All registered shareholders must sign the request. Redemption proceeds are usually paid to you by check within seven days after State Street Bank and Trust receives your proper redemption request.

Mail the request to:

Via U.S. Postal Service  
Davis Funds  
C/O State Street Bank and Trust  
P.O. Box 8406  
Boston, MA 02266-8406

Via Overnight Mail  
Davis Funds  
C/O State Street Bank and Trust  
30 Dan Rd  
Canton, MA 02021-2809

**A medallion signature guarantee is required if the redemption request is:**

- for a check greater than \$100,000;
  - made payable to someone other than the registered shareholder(s);
  - sent to an address other than to the address of record or to an address of record that has been changed in the last 30 days; or
  - to a bank account not on record.
- **Through a Dealer.** When you sell shares through a dealer, you may be charged service fees or commissions for these transactions.
  - **By Telephone.** Call 800/279-0279 to use our automated phone system 24 hours a day or speak to a customer service representative Monday through Friday, 9a.m. to 6p.m. Eastern time.

Redemptions by check:

- are limited to \$100,000;
  - must be mailed to the address of record that has been on the account for at least 30 days; and
  - must be made payable to the registered shareholder.
  - Redemptions via wire or ACH can only be done to a bank currently on the account.
- **By Internet.** See “Internet Transactions” in this prospectus for details on how to access your account through the internet.

Redemptions by check:

- limited to \$100,000;
- must be mailed to the address of record that has been on the account for at least 30 days; and
- made payable to the registered shareholder.
- Redemptions via wire or ACH can only be done to a bank currently on the account.

You may redeem shares on any day that the fund is open. Redemption proceeds may be withheld until a sufficient period of time has passed for State Street Bank and Trust to be reasonably sure that all checks or drafts (including certified or cashier's checks) for shares purchased have cleared, normally not exceeding fifteen calendar days.

**Short-Term Trading Fee.** The funds will deduct a short-term trading fee from the redemption amount if you sell or exchange your shares after holding them for less than 30 days. This short-term trading fee will equal 2% of the amount redeemed and shares held longest will be treated as being redeemed first and the shares held shortest will be treated as being redeemed last. For shares of the funds acquired by exchange, the holding period prior to the exchange is not considered in determining whether to apply the redemption fee. The short-term trading fee is paid to the funds and is designed to offset the brokerage commissions, market impact, and other costs associated with fluctuations in fund asset levels and cashflows caused by short-term trading. There are limited exceptions to the short-term trading fee for investors which invest through third-party intermediaries and it is not practical to impose the fee. See the Statement of Additional Information for a description of these exceptions.

### ***What You Need to Know Before You Sell Your Shares***

- You will always receive cash for sales that total less than \$250,000 or one percent of a fund's net asset value during any ninety-day period. Any sales above the cash limit may be paid in securities and would mean you would have to pay brokerage fees if you sold the securities.
- In certain circumstances, such as death of a shareholder or acting as power of attorney, additional documentation may be required. Please contact Investor Services at 800/279-0279 to determine if your situation requires such documentation.
- In the past, the Davis Funds issued certificates for its shares. If a certificate was issued for the shares you wish to sell, the certificate must be sent by certified mail to State Street Bank and Trust and accompanied by a letter of instruction signed by the owner(s).
- A sale may produce a gain or loss. Gains may be subject to tax.
- The Securities and Exchange Commission may suspend redemption of shares under certain emergency circumstances if the New York Stock Exchange is closed for reasons other than customary closings and holidays.

### ***Medallion Signature Guarantee***

To protect you and the Davis Funds against fraud, certain redemption requests must be made in writing with your signature guaranteed. A medallion signature guarantee is a written endorsement from an eligible guarantor institution that the signature(s) on the written request is (are) valid. Certain commercial banks, trust companies, savings associations, credit unions and members of a United States stock exchange participate in the medallion signature guarantee program. No other form of signature verification will be accepted.

### ***Stock Power***

This is a letter of instruction signed by the owner of fund shares that gives State Street Bank and Trust permission to transfer ownership of the shares to another person or group. Any transfer of ownership requires that all shareholders have their signatures medallion-guaranteed.

### ***If You Decide to Buy Back Shares You Sold***

If you sold Davis Funds Class A or Class B shares on which you have paid a sales charge (other Classes of shares are not entitled to this privilege) and decide to repurchase some or all shares within 60 days of sale, you may notify us in writing of your intent to exercise the **Subsequent Repurchase Privilege**. This privilege can only be exercised once. With this privilege you may purchase Class A shares at current net asset value without a sales charge. If you redeemed Class B shares and paid a contingent deferred sales charge on redemption, it will not be refunded or returned to your account. You may purchase Class A shares of the same fund/account in an amount up to, but not exceeding, the dollar amount of Class A or Class B shares which you previously redeemed. To exercise this privilege, you must send a letter to our service provider, State Street Bank and Trust, along with a check for the repurchased shares.

### ***Involuntary Redemption***

If your fund/account balance declines to less than \$1,000 in any fund as a result of a redemption, exchange or transfer, we will redeem your remaining shares in the fund at net asset value. You will be notified before your account is involuntarily redeemed. Telephone redemptions will receive immediate notice that the redemption will result in the entire account being redeemed upon execution of the transaction. All other redemptions will receive a letter notifying account holders that their accounts will be involuntarily redeemed unless the account balance is increased to at least \$1,000 within 30 days.

### ***Making Systematic Withdrawals***

If your fund/account balance is more than \$10,000, you can sell a predetermined dollar or percentage amount each month or quarter (for retirement accounts or IRAs, withdrawals may be established on an annual basis). Because withdrawals are sales, they may produce a gain or loss. If you purchase additional fund shares at around the same time that you make a withdrawal, you may have to pay taxes and a sales charge. When you participate in this plan, known as the **Systematic Withdrawal Plan**, shares are sold so that you will receive payment by one of three methods:

- You may receive a check at the address of record provided that this address has not changed for a period of at least 30 days.
- You may also choose to receive funds by ACH by completing an account service form. If you wish to execute a Systematic Withdrawal Plan by ACH after your account has been established, please complete an account service form and have your signature medallion guaranteed.
- You may have funds sent by check to a third party at an address other than the address of record. In order to do so, you must complete the appropriate section of the Application Form. If you wish to designate a third-party payee after your account has been established, you must submit a letter of instruction with a medallion signature guarantee.

You may stop systematic withdrawals at any time without charge or penalty by calling Investor Services.

### ***Wiring Sale Proceeds to Your Bank Account***

You may be eligible to have your redemption proceeds electronically transferred to a commercial bank account by federal funds wire. There is a \$5 charge by State Street Bank and Trust for wire service and receiving banks may also charge for this service. Proceeds of redemption by federal funds wire are usually credited to your bank account on the next business day after the sale. Alternatively, redemption through ACH will usually arrive at your bank two banking days after the sale. To have redemption proceeds sent by federal funds wire to your bank, you must first fill out the Banking Instructions section on the account

application form and attach a voided check or deposit slip. If the account has already been established, an Account Service Form must be submitted with a medallion guarantee and a voided check.

### **Exchanging Shares**

You can sell shares of any Davis Fund to buy shares in the same class of any other Davis Fund without having to pay a sales charge. This is known as an exchange. You can only exchange shares from your account within the same class and under the same registration. You can exchange shares by telephone, by internet, by mail or through a dealer. The initial exchange must be for at least \$1,000. Exchanges are normally performed on the same day of the request if received in proper form (all necessary documents, signatures, etc.) by 4 p.m. Eastern time.

Shares in different Davis Funds may be exchanged at relative net asset value. However, if any Davis Fund shares being exchanged are subject to a deferred sales charge, Statement of Intention or other limitation, the limitation will continue to apply to the shares received in the exchange. When you exchange shares in a Davis Fund for shares in Davis Government Money Market Fund, the holding period for any deferred sales charge does not continue during the time that you own Davis Government Money Market Fund shares. For example, Class B shares are subject to a declining sales charge for six years. Any period that you are invested in shares of Davis Government Money Market Fund will be added to the six-year declining sales charge period.

You may exchange shares in any of the following ways:

- **By Mail.** To exchange shares by mail, send the request to one of the addresses below. All registered shareholders must sign the request.

Mail the request to:

Via U.S. Postal Service  
Davis Funds  
C/O State Street Bank and Trust  
P.O. Box 8406  
Boston, MA 02266-8406

Via Overnight Mail  
Davis Funds  
C/O State Street Bank and Trust  
30 Dan Rd  
Canton, MA 02021-2809

- **Through a Dealer.** When you exchange shares through a dealer, you may be charged service fees or commissions for these transactions.
- **By Telephone.** Call 800/279-0279 to use our automated phone system 24 hours a day or speak to a customer service representative Monday through Friday, 9a.m. to 6p.m. Eastern time.
- **By Internet.** See “Internet Transactions” in this prospectus for details on how to access your account through the internet.

In the past, the Davis Funds issued certificates. If you wish to exchange shares for which you hold share certificates, these certificates must be sent by certified mail to State Street Bank and Trust accompanied by a letter of instruction signed by the owner(s). If your shares are being sold for cash, this is known as a redemption. Please see “What You Need to Know Before You Sell Your Shares” in this prospectus for restrictions that might apply to this type of transaction.

Before you decide to make an exchange, you must obtain the current prospectus of the desired Davis Fund. For federal income tax purposes, exchanges between Davis Funds are treated as a sale and a purchase. Therefore, there will usually be a recognizable capital gain or loss due to an exchange.

## **Market Timing**

Davis Funds discourages frequent purchases, redemptions, or exchanges of fund shares by fund shareholders (often referred to as “market timing,”) and does not accommodate such activity. Davis Funds seek to restrict or reject such trading or take other action if in the judgment of Davis Advisors such trading may be detrimental to the interests of a fund and its long-term shareholders. Market timing strategies may dilute the value of fund shares held by long-term shareholders, interfere with the efficient management of the fund’s portfolio, and increase brokerage and administrative costs.

Davis Funds’ Board of Directors has adopted policies and procedures with respect to the frequent purchases and redemption of fund shares. Currently, four round-trip purchases, redemptions or exchanges into or between Davis Funds are allowed during any twelve-month period. You may make an unlimited number of exchanges out of Davis Government Money Market Fund. Automatic exchanges are excluded from this provision. Certain financial intermediaries, such as 401(k) plan administrators, may apply purchase and exchange limitations which are different than the limitations discussed above. These limitations may be more or less restrictive than the limitations imposed by the Davis Funds, but are designed to detect and prevent excessive trading. Shareholders should consult their financial intermediaries to determine what purchase and exchange limitations may be applicable to their transactions in the Davis Funds through those financial intermediaries. To the extent reasonably feasible, the funds’ market timing procedures apply to all shareholder accounts and neither Davis Funds nor Davis Advisors have entered into agreements to exempt any shareholder from application of either the Davis Funds’ or a financial intermediary’s market-timing procedures, as applicable.

Davis Funds and Davis Advisors use several methods to reduce the risk of market timing. These methods include: (i) limiting annual exchange activity per fund account; (ii) committing staff to selectively review on a continuing basis recent trading activity in order to identify trading activity that may be contrary to the funds’ market timing policy; and (iii) assessing a redemption fee for short-term trading.

If Davis Funds determine that your purchase or exchange patterns reflect a market timing strategy, Davis Funds reserve the right to take any action permitted under applicable rules and standards, including: (i) refusing to accept your orders to purchase fund shares; and/or (ii) restricting the availability of exchanges through telephone requests, facsimile transmissions, automated telephone services, internet services or any electronic transfer services.

Davis Funds receive purchase, exchange and redemption orders from many financial intermediaries which maintain omnibus accounts with the funds. Omnibus account arrangements permit financial intermediaries to aggregate their clients’ transaction and ownership positions. Shareholders seeking to engage in excessive trading practices may employ a variety of strategies to avoid detection and there can be no assurance that Davis Funds will successfully prevent all instances of market timing.

### ***Making Automatic Exchanges***

You can elect to make automatic monthly exchanges if all accounts involved are registered under the same name and have a minimum initial value of \$1,000. You must exchange at least \$25 to participate in this program, known as the **Automatic Exchange Program**. To sign up for this program you may contact Investor Services.

### **Telephone Transactions**

A benefit of investing through Davis Funds is that you can use our automated telephone system to buy, sell or exchange shares. If you do not wish to have this option activated for your account, complete the appropriate section of the Application Form.

When you call Davis Funds you can perform a transaction in one of two ways:

- Speak directly with an Investor Services Professional during business hours (9 a.m. to 6 p.m. Eastern time).
- You can use Davis Funds' automated telephone system, 24 hours a day, seven days a week.

When you buy, sell or exchange shares by telephone instruction, you agree that the Davis Funds are not liable for following telephone instructions believed to be genuine (that is, directed by the account holder, registered representative or authorized trader, whose name is on file). We use certain procedures to confirm that your instructions are genuine, including a request for personal identification and a tape recording of the conversation. If these procedures are not used, the fund may be liable for any loss from unauthorized instructions.

Be aware that during unusual market conditions Davis Funds may not be able to accept all requests by telephone.

### **Internet Transactions**

You can use our website — **www.davisfunds.com** — to review your account balance and recent transactions. Your account may qualify for the privilege to purchase, sell or exchange shares online. You may also request confirmation statements and tax summary information to be mailed to the address on file. Please review our website for more complete information. If you do not wish to have this option activated for your account, please contact Investor Services. Class Y share accounts cannot be accessed through our website.

To access your accounts, you will need the name of the fund(s) in which you are invested, your account number and your Social Security Number.

You must also establish a unique and confidential Personal Identification Number (PIN). This PIN is required each time you access your Davis account online.

When you buy, sell or exchange shares over the Internet, you agree that the Davis Funds are not liable for following instructions believed to be genuine (that is, directed by the account holder or registered representative on file). We use certain procedures to confirm that your instructions are genuine. If these procedures are not used, the funds may be liable for any loss from unauthorized instructions.

## **Financial Highlights**

These tables are designed to show you the financial performance of Davis Global Fund since December 22, 2004 (commencement of operations), and Davis International Fund since December 29, 2006 (commencement of operations), assuming that all dividends and capital gains have been reinvested. Some of the information reflects financial results for a single fund share. The total returns represent the rate at which an investor would have earned (or lost) money on an investment in the fund.

This information has been audited by KPMG LLP, the Funds' independent registered public accounting firm. KPMG LLP's report, along with the funds' financial statements, is included in the Annual Report, which is available upon request.

## DAVIS GLOBAL FUND

### FINANCIAL HIGHLIGHTS

The following financial information represents selected data for each share of capital stock outstanding throughout each period:

#### CLASS A

	Year ended October 31,				December 22, 2004 (Commencement of operations) through October 31, 2005
	2009	2008	2007	2006	
Net Asset Value, Beginning of Period	\$ 8.51	\$ 18.70	\$ 13.70	\$ 10.83	\$ 10.00
<b>Income (Loss) from Investment Operations:</b>					
Net Investment Income	0.07 <sup>a</sup>	0.15 <sup>a</sup>	0.05 <sup>a</sup>	0.05	0.10
Net Realized and Unrealized Gains (Losses)	2.75	(10.16)	5.23	2.95	0.75
Total from Investment Operations	2.82	(10.01)	5.28	3.00	0.85
<b>Dividends and Distributions:</b>					
Dividends from Net Investment Income	(0.05)	(0.08)	(0.22)	(0.13)	(0.02)
Distributions from Realized Gains	–	(0.10)	(0.06)	–	–
Total Dividends and Distributions	(0.05)	(0.18)	(0.28)	(0.13)	(0.02)
Net Asset Value, End of Period	\$ 11.28	\$ 8.51	\$ 18.70	\$ 13.70	\$ 10.83
Total Return <sup>b</sup>	33.32%	(54.01)%	39.13%	27.96%	8.47%
<b>Ratios/Supplemental Data:</b>					
Net Assets, End of Period (in thousands)	\$ 41,456	\$ 32,172	\$ 55,104	\$ 16,716	\$ 10,837
Ratio of Expenses to Average Net Assets:					
Gross	1.31%	1.26%	1.48%	1.24%	1.65% <sup>c</sup>
Net <sup>d</sup>	1.30%	1.26%	1.30%	1.24%	1.30% <sup>c</sup>
Ratio of Net Investment Income to Average					
Net Assets	0.73%	1.07%	0.32%	0.43%	1.26% <sup>c</sup>
Portfolio Turnover Rate <sup>e</sup>	32%	19%	10%	10%	–%

<sup>a</sup> Per share calculations were based on average shares outstanding for the period.

<sup>b</sup> Assumes hypothetical initial investment on the business day before the first day of the fiscal period (or inception of offering), with all dividends and distributions reinvested in additional shares on the reinvestment date, and redemption at the net asset value calculated on the last business day of the fiscal period. Sales charges are not reflected in the total returns. Total returns are not annualized for periods of less than one year.

<sup>c</sup> Annualized.

<sup>d</sup> The Net Ratio of Expenses to Average Net Assets reflects the impact, if any, of the reduction of expenses paid indirectly and of certain reimbursements from the Adviser.

<sup>e</sup> The lesser of purchases or sales of portfolio securities for a period, divided by the monthly average of the market value of portfolio securities owned during the period. Securities with a maturity or expiration date at the time of acquisition of one year or less are excluded from the calculation.

## DAVIS GLOBAL FUND

### FINANCIAL HIGHLIGHTS

The following financial information represents selected data for each share of capital stock outstanding throughout each period:

#### CLASS B

	Year ended October 31,				December 22, 2004 (Commencement of operations) through October 31, 2005
	2009	2008	2007	2006	
Net Asset Value, Beginning of Period	\$ 8.39	\$ 18.52	\$ 13.57	\$ 10.76	\$ 10.00
<b>Income (Loss) from Investment Operations:</b>					
Net Investment Income (Loss)	(0.02) <sup>a</sup>	(0.01) <sup>a</sup>	(0.13) <sup>a</sup>	(0.09)	0.03
Net Realized and Unrealized Gains (Losses)	2.70	(10.02)	5.22	2.93	0.73
Total from Investment Operations	2.68	(10.03)	5.09	2.84	0.76
<b>Dividends and Distributions:</b>					
Dividends from Net Investment Income	–	–	(0.08)	(0.03)	–
Distributions from Realized Gains	–	(0.10)	(0.06)	–	–
Total Dividends and Distributions	–	(0.10)	(0.14)	(0.03)	–
Net Asset Value, End of Period	\$ 11.07	\$ 8.39	\$ 18.52	\$ 13.57	\$ 10.76
Total Return <sup>b</sup>	31.94%	(54.43)%	37.80%	26.41%	7.60%
<b>Ratios/Supplemental Data:</b>					
Net Assets, End of Period (in thousands)	\$ 3,034	\$ 2,721	\$ 5,676	\$ 1	\$ 1
Ratio of Expenses to Average Net Assets:					
Gross	2.57%	2.30%	2.73%	12.99%	2.65% <sup>c</sup>
Net <sup>d</sup>	2.30%	2.30%	2.30%	2.30%	2.30% <sup>c</sup>
Ratio of Net Investment Income (Loss) to					
Average Net Assets	(0.27)%	(0.05)%	(0.68)%	(0.63)%	0.26% <sup>c</sup>
Portfolio Turnover Rate <sup>e</sup>	32%	19%	10%	10%	–%

<sup>a</sup> Per share calculations were based on average shares outstanding for the period.

<sup>b</sup> Assumes hypothetical initial investment on the business day before the first day of the fiscal period (or inception of offering), with all dividends and distributions reinvested in additional shares on the reinvestment date, and redemption at the net asset value calculated on the last business day of the fiscal period. Sales charges are not reflected in the total returns. Total returns are not annualized for periods of less than one year.

<sup>c</sup> Annualized.

<sup>d</sup> The Net Ratio of Expenses to Average Net Assets reflects the impact, if any, of the reduction of expenses paid indirectly and of certain reimbursements from the Adviser.

<sup>e</sup> The lesser of purchases or sales of portfolio securities for a period, divided by the monthly average of the market value of portfolio securities owned during the period. Securities with a maturity or expiration date at the time of acquisition of one year or less are excluded from the calculation.

## DAVIS GLOBAL FUND

### FINANCIAL HIGHLIGHTS

The following financial information represents selected data for each share of capital stock outstanding throughout each period:

#### CLASS C

	Year ended October 31,				December 22, 2004 (Commencement of operations) through October 31, 2005
	2009	2008	2007	2006	
Net Asset Value, Beginning of Period	\$ 8.39	\$ 18.52	\$ 13.58	\$ 10.75	\$ 10.00
<b>Income (Loss) from Investment Operations:</b>					
Net Investment Income (Loss)	(0.02) <sup>a</sup>	0.01 <sup>a</sup>	(0.11) <sup>a</sup>	(0.08)	0.03
Net Realized and Unrealized Gains (Losses)	2.70	(10.04)	5.19	2.94	0.72
Total from Investment Operations	2.68	(10.03)	5.08	2.86	0.75
<b>Dividends and Distributions:</b>					
Dividends from Net Investment Income	–	–	(0.08)	(0.03)	–
Distributions from Realized Gains	–	(0.10)	(0.06)	–	–
Total Dividends and Distributions	–	(0.10)	(0.14)	(0.03)	–
Net Asset Value, End of Period	\$ 11.07	\$ 8.39	\$ 18.52	\$ 13.58	\$ 10.75
Total Return <sup>b</sup>	31.94%	(54.43)%	37.70%	26.62%	7.50%
<b>Ratios/Supplemental Data:</b>					
Net Assets, End of Period (in thousands)	\$ 9,570	\$ 10,548	\$ 17,890	\$ 1	\$ 1
Ratio of Expenses to Average Net Assets:					
Gross	2.33%	2.19%	2.56%	13.31%	2.65% <sup>c</sup>
Net <sup>d</sup>	2.30%	2.19%	2.30%	2.30%	2.30% <sup>c</sup>
Ratio of Net Investment Income (Loss) to					
Average Net Assets	(0.27)%	0.05%	(0.68)%	(0.63)%	0.26% <sup>c</sup>
Portfolio Turnover Rate <sup>e</sup>	32%	19%	10%	10%	–%

<sup>a</sup> Per share calculations were based on average shares outstanding for the period.

<sup>b</sup> Assumes hypothetical initial investment on the business day before the first day of the fiscal period (or inception of offering), with all dividends and distributions reinvested in additional shares on the reinvestment date, and redemption at the net asset value calculated on the last business day of the fiscal period. Sales charges are not reflected in the total returns. Total returns are not annualized for periods of less than one year.

<sup>c</sup> Annualized.

<sup>d</sup> The Net Ratio of Expenses to Average Net Assets reflects the impact, if any, of the reduction of expenses paid indirectly and of certain reimbursements from the Adviser.

<sup>e</sup> The lesser of purchases or sales of portfolio securities for a period, divided by the monthly average of the market value of portfolio securities owned during the period. Securities with a maturity or expiration date at the time of acquisition of one year or less are excluded from the calculation.

## DAVIS GLOBAL FUND

### FINANCIAL HIGHLIGHTS

The following financial information represents selected data for each share of capital stock outstanding throughout each period:

#### CLASS Y

	Year ended October 31,		July 25, 2007
	2009	2008	(Commencement of operations) through October 31, 2007
Net Asset Value, Beginning of Period	\$ 8.51	\$ 18.71	\$ 17.20
<b>Income (Loss) from Investment Operations:</b>			
Net Investment Income	0.08 <sup>a</sup>	0.20 <sup>a</sup>	— <sup>b</sup>
Net Realized and Unrealized Gains (Losses)	2.76	(10.17)	1.51
Total from Investment Operations	2.84	(9.97)	1.51
<b>Dividends and Distributions:</b>			
Dividends from Net Investment Income	(0.08)	(0.13)	—
Distributions from Realized Gains	—	(0.10)	—
Total Dividends and Distributions	(0.08)	(0.23)	—
Net Asset Value, End of Period	\$ 11.27	\$ 8.51	\$ 18.71
Total Return <sup>c</sup>	33.70%	(53.91)%	8.78%
<b>Ratios/Supplemental Data:</b>			
Net Assets, End of Period (in thousands)	\$ 14,012	\$ 8,364	\$ 1,007
Ratio of Expenses to Average Net Assets:			
Gross	1.04%	1.04%	3.64% <sup>d</sup>
Net <sup>e</sup>	1.04%	1.04%	1.05% <sup>d</sup>
Ratio of Net Investment Income to Average Net Assets	0.99%	1.29%	0.13% <sup>d</sup>
Portfolio Turnover Rate <sup>f</sup>	32%	19%	10%

<sup>a</sup> Per share calculations were based on average shares outstanding for the period.

<sup>b</sup> Less than \$0.005 per share.

<sup>c</sup> Assumes hypothetical initial investment on the business day before the first day of the fiscal period (or inception of offering), with all dividends and distributions reinvested in additional shares on the reinvestment date, and redemption at the net asset value calculated on the last business day of the fiscal period. Sales charges are not reflected in the total returns. Total returns are not annualized for periods of less than one year.

<sup>d</sup> Annualized.

<sup>e</sup> The Net Ratio of Expenses to Average Net Assets reflects the impact, if any, of the reduction of expenses paid indirectly and of certain reimbursements from the Adviser.

<sup>f</sup> The lesser of purchases or sales of portfolio securities for a period, divided by the monthly average of the market value of portfolio securities owned during the period. Securities with a maturity or expiration date at the time of acquisition of one year or less are excluded from the calculation.

**DAVIS INTERNATIONAL FUND**  
**FINANCIAL HIGHLIGHTS**

The following financial information represents selected data for each share of capital stock outstanding throughout each period:

**CLASS A**

	<b>Year ended October 31, 2009</b>	<b>Year ended October 31, 2008</b>	<b>December 29, 2006 (Commencement of operations) through October 31, 2007</b>
Net Asset Value, Beginning of Period .....	\$ 6.15	\$ 13.48	\$ 10.00
<b><u>Income (Loss) from Investment Operations:</u></b>			
Net Investment Income .....	0.07	0.15	0.03
Net Realized and Unrealized Gains (Losses) ..	1.79	(7.37)	3.45
Total from Investment Operations	1.86	(7.22)	3.48
<b><u>Dividends and Distributions:</u></b>			
Dividends from Net Investment Income .....	(0.12)	(0.06)	-
Distributions from Realized Gains .....	-	(0.05)	-
Total Dividends and Distributions	(0.12)	(0.11)	-
Net Asset Value, End of Period .....	<u>\$ 7.89</u>	<u>\$ 6.15</u>	<u>\$ 13.48</u>
Total Return <sup>a</sup> .....	30.80%	(53.97)%	34.80%
<b><u>Ratios/Supplemental Data:</u></b>			
Net Assets, End of Period (in thousands) .....	\$ 13,121	\$ 10,045	\$ 20,508
Ratio of Expenses to Average Net Assets:			
Gross.....	1.38%	1.25%	1.35% <sup>b</sup>
Net <sup>c</sup> .....	1.30%	1.25%	1.30% <sup>b</sup>
Ratio of Net Investment Income to Average			
Net Assets .....	1.04%	1.42%	0.39% <sup>b</sup>
Portfolio Turnover Rate <sup>d</sup> .....	25%	13%	4%

a Assumes hypothetical initial investment on the business day before the first day of the fiscal period (or inception of offering), with all dividends and distributions reinvested in additional shares on the reinvestment date, and redemption at the net asset value calculated on the last business day of the fiscal period. Sales charges are not reflected in the total returns. Total returns are not annualized for periods of less than one year.

b Annualized.

c The Net Ratio of Expenses to Average Net Assets reflects the impact, if any, of the reduction of expenses paid indirectly and of certain reimbursements from the Adviser.

d The lesser of purchases or sales of portfolio securities for a period, divided by the monthly average of the market value of portfolio securities owned during the period. Securities with a maturity or expiration date at the time of acquisition of one year or less are excluded from the calculation.

**DAVIS INTERNATIONAL FUND**  
**FINANCIAL HIGHLIGHTS**

The following financial information represents selected data for each share of capital stock outstanding throughout each period:

**CLASS B**

	<b>Year ended October 31, 2009</b>	<b>October 31, 2008</b>	<b>December 29, 2006 (Commencement of operations) through October 31, 2007</b>
Net Asset Value, Beginning of Period .....	\$ 6.06	\$ 13.36	\$ 10.00
<b><u>Income (Loss) from Investment Operations:</u></b>			
Net Investment Income (Loss) .....	- <sup>a</sup>	0.04	(0.06)
Net Realized and Unrealized Gains (Losses) ..	1.78	(7.29)	3.42
Total from Investment Operations .....	1.78	(7.25)	3.36
<b><u>Dividends and Distributions:</u></b>			
Dividends from Net Investment Income .....	(0.02)	-	-
Distributions from Realized Gains .....	-	(0.05)	-
Total Dividends and Distributions .....	(0.02)	(0.05)	-
Net Asset Value, End of Period .....	<u>\$ 7.82</u>	<u>\$ 6.06</u>	<u>\$ 13.36</u>
Total Return <sup>b</sup> .....	29.54%	(54.46)%	33.60%
<b><u>Ratios/Supplemental Data:</u></b>			
Net Assets, End of Period (in thousands) .....	\$ 2	\$ 2	\$ 3
Ratio of Expenses to Average Net Assets:			
Gross.....	9.98%	7.27%	26.19% <sup>c</sup>
Net <sup>d</sup> .....	2.30%	2.30%	2.30% <sup>c</sup>
Ratio of Net Investment Income (Loss) to			
Average Net Assets.....	0.04%	0.37%	(0.61)% <sup>c</sup>
Portfolio Turnover Rate <sup>e</sup> .....	25%	13%	4%

a Less than \$0.005 per share.

b Assumes hypothetical initial investment on the business day before the first day of the fiscal period (or inception of offering), with all dividends and distributions reinvested in additional shares on the reinvestment date, and redemption at the net asset value calculated on the last business day of the fiscal period. Sales charges are not reflected in the total returns. Total returns are not annualized for periods of less than one year.

c Annualized.

d The Net Ratio of Expenses to Average Net Assets reflects the impact, if any, of the reduction of expenses paid indirectly and of certain reimbursements from the Adviser.

e The lesser of purchases or sales of portfolio securities for a period, divided by the monthly average of the market value of portfolio securities owned during the period. Securities with a maturity or expiration date at the time of acquisition of one year or less are excluded from the calculation.

## DAVIS INTERNATIONAL FUND FINANCIAL HIGHLIGHTS

The following financial information represents selected data for each share of capital stock outstanding throughout each period:

### CLASS C

	Year ended October 31,		December 29, 2006 (Commencement of operations) through October 31, 2007
	2009	2008	
Net Asset Value, Beginning of Period .....	\$ 6.07	\$ 13.37	\$ 10.00
<b>Income (Loss) from Investment Operations:</b>			
Net Investment Income (Loss) .....	– <sup>a</sup>	0.04	(0.05)
Net Realized and Unrealized Gains (Losses) ..	1.77	(7.29)	3.42
Total from Investment Operations .....	1.77	(7.25)	3.37
<b>Dividends and Distributions:</b>			
Dividends from Net Investment Income .....	(0.02)	–	–
Distributions from Realized Gains .....	–	(0.05)	–
Total Dividends and Distributions .....	(0.02)	(0.05)	–
Net Asset Value, End of Period .....	\$ 7.82	\$ 6.07	\$ 13.37
Total Return <sup>b</sup> .....	29.32%	(54.42)%	33.70%
<b>Ratios/Supplemental Data:</b>			
Net Assets, End of Period (in thousands) .....	\$ 2	\$ 2	\$ 3
Ratio of Expenses to Average Net Assets:			
Gross.....	10.17%	7.31%	26.19% <sup>c</sup>
Net <sup>d</sup> .....	2.30%	2.30%	2.30% <sup>c</sup>
Ratio of Net Investment Income (Loss) to			
Average Net Assets.....	0.04%	0.37%	(0.61)% <sup>c</sup>
Portfolio Turnover Rate <sup>e</sup> .....	25%	13%	4%

a Less than \$0.005 per share.

b Assumes hypothetical initial investment on the business day before the first day of the fiscal period (or inception of offering), with all dividends and distributions reinvested in additional shares on the reinvestment date, and redemption at the net asset value calculated on the last business day of the fiscal period. Sales charges are not reflected in the total returns. Total returns are not annualized for periods of less than one year.

c Annualized.

d The Net Ratio of Expenses to Average Net Assets reflects the impact, if any, of the reduction of expenses paid indirectly and of certain reimbursements from the Adviser.

e The lesser of purchases or sales of portfolio securities for a period, divided by the monthly average of the market value of portfolio securities owned during the period. Securities with a maturity or expiration date at the time of acquisition of one year or less are excluded from the calculation.

## OBTAINING ADDITIONAL INFORMATION

Additional information about the funds' investments is available in the funds' **Annual and Semi-Annual Reports** to shareholders. In the funds' Annual Report, you will find a discussion of the market conditions and investment strategies that significantly affected the funds' performance during its last fiscal year. The **Statement of Additional Information** provides more detailed information about Davis Funds and their management and operations. The Statement of Additional Information and the funds' Annual and Semi-Annual Reports are available, without charge, upon request.

The Davis Funds' Statement of Additional Information and Annual Report have been filed with the Securities and Exchange Commission, are incorporated by reference, and are legally a part of this prospectus.

## HOW TO GET MORE INFORMATION

(Including Annual Report, Semi-Annual Report and Statement of Additional Information)

- **By Telephone.** Call Davis Funds toll-free at **1-800-279-0279**, Monday through Friday, 9 a.m. to 6 p.m. Eastern time. You may also call this number for account inquiries.
- **By Mail.** Write to Davis Funds c/o State Street Bank and Trust Company, P.O. Box 8406, Boston, MA 02266-8406.
- **On the Internet.** [www.davisfunds.com](http://www.davisfunds.com).
- **From the SEC.** Additional copies of the registration statement can be obtained, for a duplicating fee, by writing the Public Reference Section of the SEC, Washington, DC 20549-0102, or by sending an electronic request to [publicinfo@sec.gov](mailto:publicinfo@sec.gov). Reports and other information about the funds are also available by visiting the SEC website ([www.sec.gov](http://www.sec.gov)). For more information on the operations of the Public Reference Room, call 1-202-942-8090.

