

## Investment Management Team

The Fund is managed by a research team who share ideas and responsibility for selecting the Fund's investments.

## Investment Strategy

The signature Davis investment discipline—seeking to purchase durable, well-managed businesses at value prices and holding them for the long term—is applied to companies with various market capitalizations.

The investment management team focuses on identifying small, medium and large size companies with the characteristics we believe foster the long-term creation of value in businesses. The characteristics we look for include first-class management, management ownership, high returns on capital, low cost structure, dominant or growing market share, proven track record, strong balance sheet, products and services that do not become obsolete, successful international operations, and innovative users of technology.

## Top 10 Holdings

Merck	5.5%	Coca-Cola	3.2%
Johnson & Johnson	5.0	Yum! Brands	3.0
Oaktree Capital Group—Class A	4.6	CVS Caremark	3.0
Texas Instruments	3.4	Walt Disney	2.9
Microsoft	3.2	Google—Class A	2.9

## Total Returns – A Shares

Year	Without sales charge		With 4.75% maximum sales charge	
	Avg. Annual	Cumulative	Avg. Annual	Cumulative
Life	8.84%	274.37%	8.50%	256.52%
15	7.10	179.75	6.75	166.47
10	1.79	19.44	1.30	13.78
5	-2.17	-10.41	-3.13	-14.68
1	11.90	11.90	6.60	6.60

## Fund Facts

Inception Date (Class A Shares)	12/1/94
Total Net Assets	\$488.2 million
Total Fund Holdings	70
CUSIP	Symbols
A Shares: 239103-104	A Shares: RPEAX
B Shares: 239103-203	B Shares: RPFEX
C Shares: 239103-765	C Shares: DGOCCX
Y Shares: 239103-831	Y Shares: DGOYX

## Portfolio Characteristics

Trailing Positive P/E Ratio	14.6
Weighted Average Market Capitalization (\$bn)	52.1
Beta (3 year)	1.0
Standard Deviation (5 year, A Shares)	18.2

## Turnover and Expenses

Turnover Rate as of most recent audited financial statement	24%
Expense Ratio (A Shares) as of most recent prospectus	1.10%

## Market Capitalization (percentage of equities)

Small Cap	11.8%
Mid Cap	20.8
Large Cap	67.4

## Top 5 Industries

Pharmaceutical & Health Care	19.1%
Technology	18.9
Materials	9.0
Diversified Financials	8.9
Food, Beverage & Tobacco	7.6

*The performance presented represents past performance and is not a guarantee of future results. Total return assumes reinvestment of dividends and capital gain distributions. Investment return and principal value will vary so that, when redeemed, an investor's shares may be worth more or less than their original cost. The total annual operating expense ratio may vary in future years. Returns and expenses for other classes of shares will vary. Current performance may be higher or lower than the performance quoted. For most recent month-end performance, visit [davisfunds.com](http://davisfunds.com) or call 800-279-0279. See endnotes for important IPO disclosure.*

Davis Opportunity Fund's investment objective is long-term growth of capital. There can be no assurance that the Fund will achieve its objective. Some important risks of an investment in the Fund are: market risk: the market value of shares of common stock can change rapidly and unpredictably and have the potential for loss; company risk: equity securities represent ownership positions in companies. Over time, the market value of a common stock should reflect the success or failure of the company issuing the stock; under \$10 billion market capitalization risk: 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; fees and expenses risk: fees and expenses reduce the return which a shareholder may earn by investing in a fund; and foreign country risk: foreign companies may be subject to greater risk as foreign economies may not be as strong or 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. As of June 30, 2010, Davis Opportunity Fund had approximately 20.0% of assets invested in foreign companies. See the prospectus for a complete listing of the principal risks.

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

Davis Advisors began active daily management of the Davis Opportunity Fund on January 1, 1999. From May 1, 1984 until December 31, 1998, Davis Advisors had a subadvisor that handled the active daily management of the Fund.

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

Average annual total returns as of June 30, 2010:

Davis Opportunity Fund	1 Year	5 Years	10 Years	Inception
Class A (with 4.75% sales charge)	6.60%	-3.13%	1.30%	12/1/94
Class B (with deferred sales charge)	6.94	-3.34	1.21	5/1/84
Class C (with deferred sales charge)	10.01	-2.92	0.98	8/15/97
Class Y	12.27	-1.87	2.12	9/18/97

As of the most recent prospectus the expense ratios were: Class A shares, 1.10%; Class B shares, 2.04%; Class C shares, 1.89%; Class Y shares, 0.74%.

Class B shares automatically convert to Class A shares after seven years. Class B shares' performance for the 10 year period includes the first seven years of Class B share performance and Class A share performance thereafter.

Davis Funds has adopted a Portfolio Holdings Disclosure policy that governs the release of non-public portfolio holding information. This policy is described in detail in the applicable prospectus. Visit [davisfunds.com](http://davisfunds.com) or call 800-279-0279 for the most current public portfolio holdings information.

Broker-dealers and other financial intermediaries may charge Davis Advisors substantial fees for selling its products and providing continuing support to clients and shareholders. For example, broker-dealers and other financial intermediaries may charge: sales commissions; distribution and service fees; and record-keeping fees. In addition, payments or reimbursements may be requested for: marketing support concerning Davis Advisors' products; placement on a list of offered products; access to sales meetings, sales representatives and management representatives; and participation in conferences or seminars, sales or training programs for invited registered representatives and other employees, client and investor events, and other dealer-sponsored events. Financial advisors should not consider Davis Advisors' payment(s) to a financial intermediary as a basis for recommending Davis Advisors.

The maximum sales charge on a Class A share is 4.75%, on a Class B share the maximum contingent deferred sales charge is 4% and on a Class C share the maximum contingent deferred sales charge is 1%.

The purchase maximum for Class B shares is \$50,000 per transaction and for Class C shares is \$500,000 per transaction.

Beta is a measure of a fund's sensitivity to market movements in the last 36 months. The Fund's Index as indicated in the prospectus has a Beta of 1.00. While no single measurement can predict the future, a Beta of greater than 1.00 predicts greater volatility and a Beta of less than 1.00 predicts less volatility than the stock market as a whole.

The Weighted Average Market Capitalization is the portfolio-weighted mean capitalizations of all equity securities.

The Trailing Positive P/E Ratio of a stock is calculated by dividing the current price of the stock by its trailing 12 months' earnings per share. Portfolio totals are computed using an inverse harmonic methodology. Stocks with negative P/E ratios are excluded from the portfolio totals.

Turnover Rate is a measure of the trading activity in a mutual fund's investment portfolio that reflects how often securities are bought and sold. These amounts are as of the most recent audited financial statement.

Expense Ratio is the cost of doing business for a mutual fund, expressed as a percentage of the fund's net assets. These amounts are as of the most recent prospectus.

Standard Deviation is a statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that are most likely for a given fund. When a fund has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

Small cap companies have market capitalizations less than \$3 billion. Mid cap companies have market capitalizations from \$3 billion to \$10 billion. Large cap companies have market capitalizations more than \$10 billion. Under normal circumstances, Davis Opportunity Fund invests the majority of its assets in equity securities issued by companies with market capitalizations of less than \$20 billion.

While very few companies have all the characteristics which we believe foster sustainable long-term growth, we search for companies that demonstrate several of the characteristics.

**Investments in initial public offerings (IPOs) had a favorable impact on Davis Opportunity Fund's performance in 1999 and 2000. This was a time when the IPO market was very active. No assurance can be given that Davis Opportunity Fund will continue to invest in IPOs to the same extent in the future or that such investments would be profitable.**

After October 31, 2010, this material must be accompanied by a supplement containing performance data for the most recent calendar quarter.

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