

Davis Large Cap Value SMA Portfolio

Fall Update 2025

Commentary

Selective. Attractive Growth. Undervalued.

Holdings

Fact Sheet

Investment Professionals

Contacts



THE EQUITY SPECIALISTS

Portfolio Commentary

Key Takeaways

- Markets have been volatile year-to-date as geopolitical, economic and political shifts continue to play out. Tariff uncertainties in particular may be making companies and consumers more cautious about spending and investment.
- The S&P 500 Index has become increasingly distorted due to its reliance on a market cap-weighted rules-based structure. With such concentration and valuation risk, we consider it prudent for investors to migrate to portfolios run in a thoughtful, active manner.
- Davis Large Cap Value SMA portfolio outperformed the Russell 1000 Value Index year-to-date through September 30, 2025, while maintaining a substantially lower average P/E valuation and higher average five-year earnings growth rate than the benchmark.

Market Perspectives: Avoid Cruise Control

The U.S. stock market has appreciated at a healthy pace with the S&P 500 Index returning 14.83% year-to-date through September 30, 2025, and the Russell 1000 Value Index returning 11.65%.

It has been a volatile year for the markets. There was no shortage of market-moving news throughout the first nine months of 2025. Given massive geopolitical, economic and political shifts underway as well as the fast-moving forces of technological change, investors would be justified in feeling somewhat tentative about the near-term outlook for the stock market. Meanwhile, in the corporate sector, we are noting a growing number of bellwether companies in sectors such as retail, technology and financial services that have announced layoffs.

The S&P 500 Index, meanwhile, continues to levitate, which might signal that investors generally have a “wait and see” attitude at this time. We do not make hard and fast predictions per se, but we believe the truly seismic shifts occurring in the investment landscape present

Net Average Annual Total returns as of September 30, 2025, for Davis Large Cap Value SMA Composite with a 3% maximum wrap fee: 1 year, 8.64%; 5 years, 11.66%; 10 years, 9.35%. The performance presented represents past performance and is not a guarantee of future results. Total return assumes reinvestment of dividends. Investment return and principal value will vary so that an investor may lose money. For current, quarterly returns, please ask your financial advisor to contact Davis Advisors. Current performance may be higher or lower. The investment strategies described herein are those of Davis Advisors. These materials are being provided for illustrative and informational purposes only. The information contained herein is obtained from multiple sources that are believed to be reliable. However, such information has not been verified, and may be different from the information included in documents and materials created by the sponsor firm in whose investment program a client participates. Some sponsor firms may require that these materials are preceded or accompanied by investment profiles or other documents or materials prepared by such sponsor firms, which will be provided upon a client's request. For additional information, documents and/or materials, please speak to your Financial Advisor. Davis Advisors fee schedules are described in Part 2 of its Form ADV. The strategies herein may not be suitable or appropriate for all investors depending on their specific investment objectives and financial situation. Potential investors should consult with their financial professional before determining whether to invest in a strategy.

This material includes candid statements and observations regarding investment strategies, individual securities, and economic and market conditions; however, there is no guarantee that these statements, opinions or forecasts will prove to be correct. Equity markets are volatile and an investor may lose money. **Past performance is not a guarantee of future results.** Unless otherwise noted, all performance information is as of 9/30/25. The investment strategies described herein are those of Davis Advisors. These materials are being provided for illustrative and informational purposes only. The information contained herein is obtained from multiple sources that are believed to be reliable. However, such information has not been verified, and may be different from the information included in documents and materials created by the sponsor firm in whose investment program a client participates. Some sponsor firms may require that these Davis Advisors materials are preceded or accompanied by investment profiles or other documents or materials prepared by such sponsor firms, which will be provided upon a client's request. For additional information, documents and/or materials, please speak to your Financial Advisor.

challenges and idiosyncratic risks that should be taken seriously. We advise clients to revisit their portfolio allocations based on today's facts and realities.

Many investors do not fully appreciate how distorted the S&P 500 Index portfolio has become due to its market cap-based, rules-guided structure. Its top 10 holdings today represent close to 40% of the total market cap value of the 500-stock index portfolio. We view that as a current problem in the broad market index. It is compounded by the fact that nine out of 10 of the S&P 500 Index's top 10 holdings are technology-related companies trading at relatively high valuations.

As active managers, we are held to fiduciary standards and principles. We would argue that if the S&P 500 Index were an active manager's portfolio, clients would closely scrutinize its concentration and valuation risk. Therefore, investors should re-evaluate the S&P 500 Index similarly.

Disruptions and negative surprises in economies and markets are inevitable. Some will no doubt impact earnings for certain companies. Given the shifting dynamics domestically and geopolitically, these may become more challenging and idiosyncratic. For example, the lack of clarity on tariffs could well become anti-stimulative, and we are seeing a switch from growth spending to belt-tightening among many businesses, while consumer sentiment appears to be waning.

In summary, it is high time to revisit the risks clients are taking—that is, valuation risk, leverage risk, sector weightings, and so forth, and to reallocate capital if warranted. If the market were a roadway under construction, it would be imprudent to drive through it on cruise control. Instead, we think that given the long list of complexities in the markets today, investors should migrate to portfolios run in a thoughtful, active manner rather than by rules-based systems driven by market capitalization. ■

Portfolio Review: Weightings Matter

For the year through September 30, 2025, Davis Large Cap Value SMA portfolio returned 12.42%, outperforming the Russell 1000 Value Index. Our performance was driven broadly by financial, technology-related and healthcare companies. These are the three primary themes running through our holdings currently.

In recent portfolio changes, we have pared select financials and technology positions on strength and for valuation reasons while adding to certain healthcare services names.

For example, during the third quarter we sold Microsoft and took a new position in social media firm Pinterest. In healthcare, for example, we are invested in businesses like CVS Health, a diversified health insurer, and Solventum, which focuses on medical supplies and devices. These companies participate in the large profit pool of the U.S. healthcare sector where we expect aggregate expenditure to keep rising as the population ages.

While we pared select financials during the quarter, we continue to hold meaningful stakes in selected financial businesses which have, in our view, strong return potential and demonstrated durability through full economic cycles. Representative holdings include Berkshire Hathaway and U.S. Bancorp.

Selective, Attractive Growth, Undervalued¹

	Portfolio	Russell 1000 Value Index	S&P 500 Index
Holdings	28	870	503
EPS Growth (5 Year)	21.2%	11.5%	16.5%
P/E (Forward)	14.7x	19.2x	25.1x

¹ Five-year EPS Growth Rate (5-year EPS) is the average annualized earnings per share growth for a company over the past 5 years. The values shown are the weighted average of the 5-year EPS of the stocks in the Portfolio or Index. Approximately 2.20% of the assets of the Portfolio are not accounted for in the calculation of 5-year EPS as relevant information on certain companies is not available to the Advisors' data provider. Forward Price/Earnings (Forward P/E) Ratio is a stock's price at the date indicated divided by the company's forecasted earnings for the following 12 months based on estimates provided by the Portfolio's data provider. These values for both the Portfolio and the Index are the weighted average of the stocks in the portfolio or Index.

As an illustration of what active management can achieve relative to high-valuation indexes, Davis Large Cap Value SMA portfolio offers investors 28 stocks that on balance are trading around 15x forward earnings, roughly 25% cheaper than the 870 stocks in the Russell 1000 Value Index and a third lower than the S&P 500 Index's valuation, our benchmarks. This should signal to investors that opportunities exist in world-class businesses at prices that still offer some margin of safety.

Despite their lower average valuation multiples, the businesses in our portfolio have generated a higher rate of average five-year earnings per share growth than both the Russell 1000 Value Index and the S&P 500 Index. That is to say, investors do not necessarily have to sacrifice earnings growth in pursuit of lower-valuation situations. What they give up by owning stocks with lower price-to-earnings (P/E) multiples today is, in our estimation, the excess risk they may be unwittingly taking in the indexes.

"Our current portfolio's positioning shows it is still quite feasible for an active manager to fashion a list of companies and weight them thoughtfully to reduce the valuation risk we see percolating in the indexes today."

Active management is not just about pursuing investment opportunities independently of index construction. Importantly, active management allows portfolio managers to control the weightings of their holdings in ways that are not determined by market capitalization. This is an important facet of risk mitigation in our experience. Investors should take note not only of the S&P 500 Index's high P/E multiple, but also of the concentration risk forming around its top 10 holdings by current weighting. Today, the S&P 500 Index's top 10 holdings constitute close to 40% of the entire value of the index. Most of those holdings trade at high, if not stratospheric, multiples. That is the downside. The upside is that 490 or more companies may be under-represented in the

index relative to their strengths, if not their market cap. Among them are numerous terrific businesses, according to our research.

Lastly, it is worth noting that not every stock that has been in favor will continue to be in the future, especially starting at today's lofty valuations. In many cases, the facts surrounding any company could change considerably. With active management, investors should see the benefit in the flexibility that portfolio managers have to reverse course on names should the facts change in a way that undermines the initial thesis. Indexes, which are rules-based, may be slower to adapt and adjust in such situations. They are therefore exposed to being trapped in losing positions until such time as those holdings are rebalanced out.

Fortunately, the S&P 500 Index is but one portfolio among many other portfolios available to investors in the marketplace. Our portfolio's current positioning shows it is still quite feasible for an active manager to fashion a list of companies and weight them thoughtfully to reduce the valuation risk we see percolating in the indexes today.

We continue to adhere to a time-tested investment philosophy which seeks to purchase durable businesses at value prices that we can hold for the long term. That is not to say that our portfolio is static. Indeed, while we maintain unwavering investment principles, much of our success has been built on a willingness to evolve and adapt our portfolio to change with the times. In our experience, there is no better time to utilize active management than in conditions like today that are very much in flux.

For more than 50 years at Davis Advisors we have navigated a constantly changing investment landscape guided by one North Star: to grow the value of the funds entrusted to us. We are pleased to have achieved strong results thus far and look forward to the decades ahead. With more than \$2 billion of our own money invested in our portfolios, we stand shoulder to shoulder with our clients on this long journey.² We are grateful for your trust and are well-positioned for the future. ■

2. As of 9/30/25, Davis Advisors, the Davis family and Foundation, and our employees have more than \$2 billion invested alongside clients in similarly managed accounts and strategies.

Davis Large Cap Value SMA Portfolio

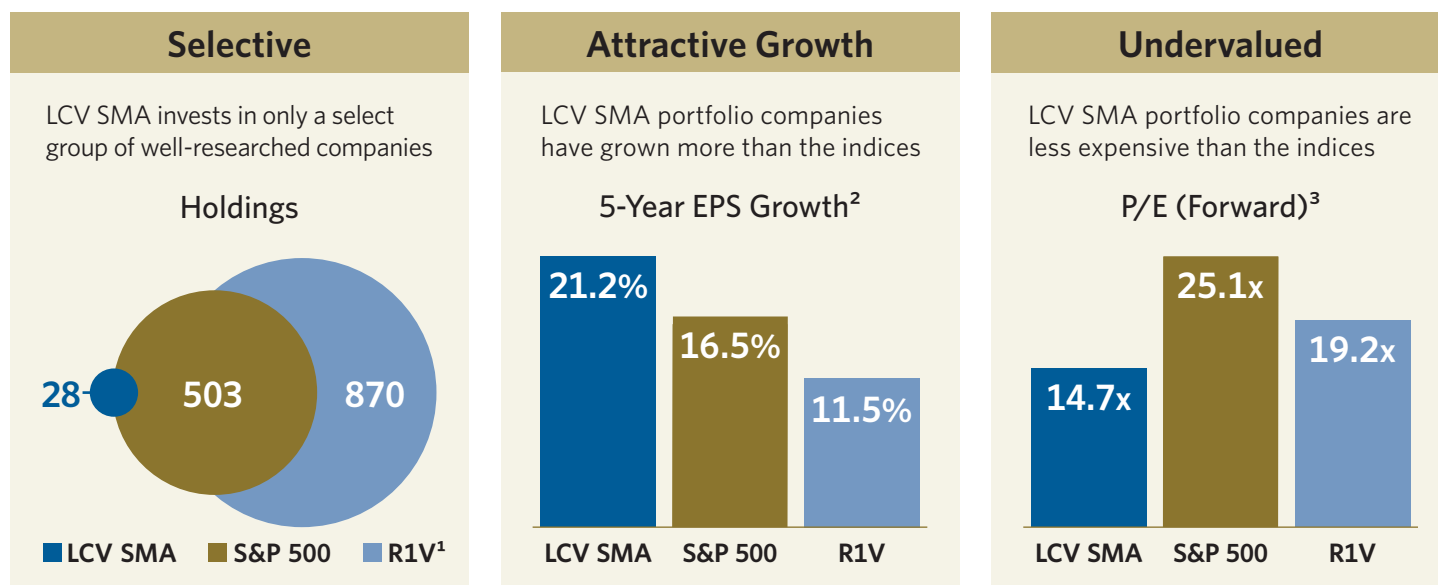
Selective. Attractive Growth. Undervalued.

“What gives us confidence that Davis Large Cap Value SMA (LCV SMA) may build wealth for our shareholders in the years and decades to come? The compelling attributes of our businesses.



By being highly selective and rejecting the vast majority of companies in the index, the companies of Davis Large Cap Value SMA Portfolio have grown more than the indices, yet are less expensive. Specifically, 41% less expensive than the S&P 500 and 23% less expensive than the Russell 1000 Value Index. In fact, this gap between price and value is among the widest we have ever seen. We believe this sets the stage for attractive returns in the years ahead.”

Chris Davis, Portfolio Manager



As of 9/30/25. The Attractive Growth and Undervalued reference in this piece relates to underlying characteristics of the portfolio holdings. There is no guarantee that the Portfolio's performance will be positive as equity markets are volatile and an investor may lose money. **Past performance is not a guarantee of future returns.** Performance may vary. **1.** Russell 1000 Value Index. **2.** Five-Year EPS Growth Rate is the average annualized earning per share growth for a company over the past five years. The value for the portfolio is the weighted average of the five-year EPS Growth Rates of the stocks in the portfolio. Approximately 2.20% of the assets of the Portfolio are not accounted for in the calculation of 5-year EPS as relevant information on certain companies is not available to the Portfolio's data provider. The 5-year EPS of the S&P 500 is 16.5%. **3.** Forward Price/Earnings (Forward P/E) Ratio is a stock's price at the date indicated divided by the company's forecasted earnings for the following 12 months based on estimates provided by the Advisor's data provider. These values for both the Portfolio and the Index are the weighted average of the stocks in the Portfolio or Index. The Forward P/E of the S&P 500 is 25.1x.

High Conviction. Different from the Index.

Holdings	Portfolio (%)	S&P 500 (%)
Applied Materials	7.0	0.3
Capital One Financial	7.0	0.2
Berkshire Hathaway	6.4	1.6
Alphabet	6.3	4.5
Meta Platforms	6.3	2.8
U.S. Bancorp	6.1	0.1
CVS Health	5.6	0.2
MGM Resorts	5.3	< 0.1
Amazon.com	5.0	3.7
Viatis	4.3	< 0.1
Wells Fargo	4.0	0.5
Texas Instruments	3.6	0.3
Tyson Foods	3.6	< 0.1
Markel Group	3.3	—
Coterra Energy	2.8	< 0.1
UnitedHealth Group	2.7	0.6
Teck Resources	2.6	—
Solventum	2.2	< 0.1
Owens Corning	1.8	—
Chubb	1.7	0.2
ConocoPhillips	1.5	0.2
AGCO	1.3	—
Quest Diagnostics	1.3	< 0.1
Restaurant Brands International	1.3	—
Cigna Group	1.0	0.1
Pinterest	1.0	—
IAC	0.7	—
Darling Ingredients	0.5	—
CASH	3.8	—
100%		

The listed securities are representative of a model Davis Large Cap Value SMA Portfolio as of the indicated date. Portfolio holdings may change over time. Individual accounts may contain different securities. There is no assurance that any securities listed herein will remain in an individual account at the time you receive this report. The securities listed for the S&P 500 are not representative of the entire portfolio, which consists of 503 securities. The information provided should not be considered a recommendation to buy or sell any particular security. There can be no assurance that an investor will earn a profit and not lose money.

Davis Large Cap Value SMA

September 30, 2025



Davis Large Cap Value is a portfolio of attractive businesses selected using the time-tested Davis Investment Discipline. The portfolio has outperformed its benchmark since inception. As one of the largest investors in the strategy, we have a unique commitment to client stewardship.*

Unique Attributes of Davis Large Cap Value SMA Portfolio

Equity-Focused Research Firm:

Established in 1969, Davis is a leading specialist in equity investing. Our primary focus on research and unique investment discipline has built wealth for our clients over the long term.

Portfolio of Best of Breed Businesses:

Utilizing rigorous independent research, we invest in durable, well-managed businesses with sustainable competitive advantages and attractive long-term growth prospects selling at a discount to their true value.

Flexible, Opportunistic Approach:

We believe a bottom-up stock selection process and not mirroring the benchmark index are keys to long-term outperformance. Active Share = 85%.

We Are One of the Largest Investors:

We have a unique commitment to stewardship, generating attractive long-term results and managing risks.

Our Investment Alongside Our Clients

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

Selective, Attractive Growth, Undervalued[†]

		Portfolio	R1V	S&P 500
Selective	Holdings	28	870	503
Attractive Growth	EPS Growth (5 Year)	21.2%	11.5%	16.5%
Undervalued	P/E (Forward)	14.7x	19.2x	25.1x

Experienced Management

Chris C. Davis, 36 yrs with Davis Advisors

Danton G. Goei, 27 yrs with Davis Advisors

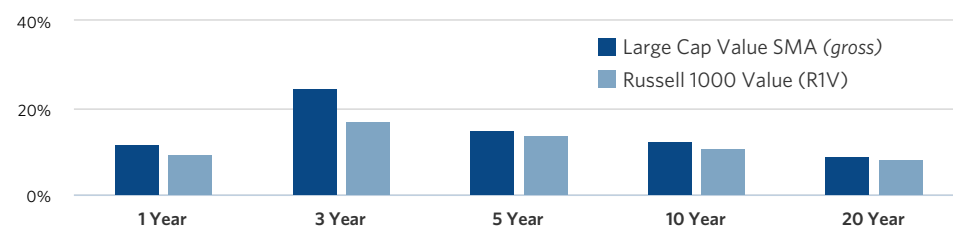
Sectors**

	Portfolio (%)	S&P 500 (%)
Financials	29.6	13.5
Health Care	17.8	8.9
Communication Services	14.9	10.1
Consumer Discretionary	12.1	10.5
Information Technology	11.0	34.8
Energy	4.5	2.9
Consumer Staples	4.3	4.9
Industrials	3.2	8.3
Materials	2.7	1.8
Utilities	—	2.4
Real Estate	—	1.9

Top 10 Holdings[‡]

	Portfolio (%)	S&P 500 (%)
Applied Materials	7.0	0.3
Capital One Financial	7.0	0.2
Berkshire Hathaway	6.4	1.6
Alphabet	6.3	4.5
Meta Platforms	6.3	2.8
U.S. Bancorp	6.1	0.1
CVS Health	5.6	0.2
MGM Resorts	5.3	< 0.1
Amazon.com	5.0	3.7
Viatis	4.3	< 0.1

Attractive Average Returns (%)



Performance (%)

	1 Year	3 Year	5 Year	10 Year	20 Year
Large Cap Value SMA (gross)	11.93	24.71	15.02	12.65	9.09
Large Cap Value SMA (net 3%)	8.64	21.08	11.66	9.35	5.91
Russell 1000 Value	9.44	16.95	13.87	10.71	8.18
S&P 500	17.60	24.91	16.46	15.29	10.96

Net average annual total returns as of September 30, 2025, for Davis Large Cap Value SMA Portfolio Composite with a 3% maximum wrap fee: 1 year, 8.64%; 5 years, 11.66%; 10 years, 9.35%; and Inception, 10.76%. Total return assumes reinvestment of dividends. Investment return and principal value will vary so that an investor may lose money. For current, quarterly returns, please ask your financial advisor to contact Davis Advisors. Current performance may be higher or lower.

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Investment Professionals

Christopher C. Davis joined Davis Advisors in 1989. He has 37 years experience in investment management and securities research. Mr. Davis received his M.A. from the University of St. Andrews in Scotland.

Danton G. Goei joined Davis Advisors in 1998. Mr. Goei received his B.A. from Georgetown University and his M.B.A. from The Wharton School. He was previously employed at Bain & Company, Morgan Stanley Asia Ltd. and Citicorp. Mr. Goei speaks multiple languages and has lived in Europe, Asia and currently resides in New York City.

Dwight C. Blazin joined Davis Advisors in 1995. He was previously a consultant for IT Consulting and Systems Design. Mr. Blazin received his B.A. from Brigham Young University and his M.A. and Ph.D. from New York University.

Darin Prozes joined Davis Advisors in 2004. He previously worked for the Parthenon Group, a strategy consulting firm. Mr. Prozes received his B.A. from Princeton University and his M.B.A. from Stanford University.

Pierce B.T. Crosbie, CFA joined Davis Advisors in 2008. Previously, he worked as a research analyst at Davidson Kempner Capital Management and in mergers and acquisitions at RBC Capital Markets. Mr. Crosbie received his B.A. from McGill University, his M.B.A. from the Harvard Business School and is a CFA charter holder.

Edward Yen joined Davis Advisors in 2013. Previously, he worked at Dodge & Cox and Lehman Brothers. Mr. Yen received his B.S. from the University of California, Berkeley and his M.B.A. from Stanford University.

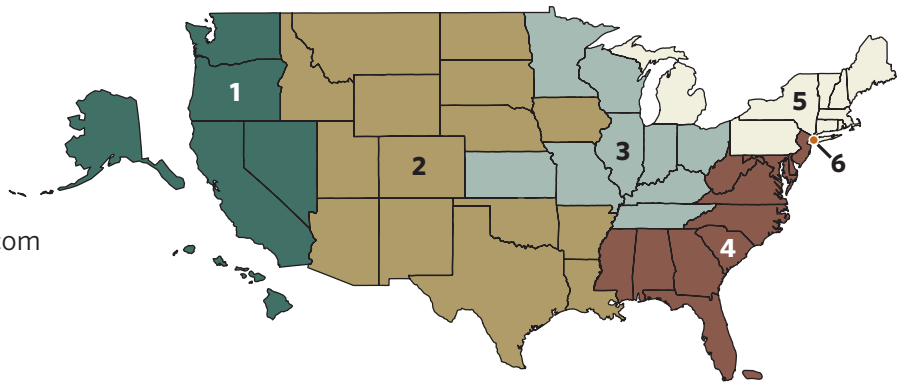
Sobby Arora, CFA joined Davis Advisors in 2017. Previously, he worked as a research analyst at Federated Global Investment Management and ING Investment Management. Mr. Arora received his B.A. from Colgate University, his M.B.A. from The Stern School of Business and is a CFA charter holder.

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*As of 9/30/25. Includes Davis Advisors, Davis family and Foundation, and our employees. †The Attractive Growth and Undervalued reference in this piece relates to underlying characteristics of the portfolio holdings. There is no guarantee that the Portfolio's performance will be positive as equity markets are volatile and an investor may lose money. **Past performance is not a guarantee of future returns.** Five-year EPS Growth Rate (5-year EPS) is the average annualized earnings per share growth for a company over the past 5 years. The values shown are the weighted average of the 5-year EPS of the stocks in the Portfolio or Index. The 5-year EPS of the S&P 500 is 16.5%. Approximately 2.20% of the assets of the Portfolio are not accounted for in the calculation of 5-year EPS as relevant information on certain companies is not available to the Portfolio's data provider. Forward Price/Earnings (Forward P/E) Ratio is a stock's price at the date indicated divided by the company's forecasted earnings for the following 12 months based on estimates provided by the Advisor's data provider. These values for both the Portfolio and the Index are the weighted average of the stocks in the Portfolio or Index. The Forward P/E of the S&P 500 is 25.1x. ‡For information purposes only. Not a recommendation to buy or sell any security. **Sources: Davis Advisors and Clearwater Wilshire Atlas.

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The performance of mutual funds is included in the Composite. The performance of the mutual funds and other Davis managed accounts may be materially different. For example, the Davis New York Venture Fund may be significantly larger

than another Davis managed account and may be managed with a view toward different client needs and considerations. The differences that may affect investment performance include, but are not limited to: the timing of cash deposits and withdrawals, the possibility that Davis Advisors may not buy or sell a given security on behalf of all clients pursuing similar strategies, the price and timing differences when buying or selling securities, the size of the account, the differences in expenses and other fees, and the clients pursuing similar investment strategies but imposing different investment restrictions. This is not a solicitation to invest in the Davis New York Venture Fund or any other fund.

Davis Advisors is committed to communicating with our investment partners as candidly as possible because we believe our clients benefit from understanding our investment philosophy and approach. Our views and opinions include "forward-looking statements" which may or may not be accurate over the long term. Forward-looking statements can be identified by words like "believe," "expect," "anticipate," or similar expressions. You should not place undue reliance on forward-looking statements, which are current as of the date of this material. We disclaim any obligation to update or alter any forward-looking statements, whether as a result of new information, future events, or otherwise. While we believe we have a reasonable basis for our appraisals and we have confidence in our opinions, actual results may differ materially from those we anticipate.

Returns from inception (4/1/69) through 12/31/01, were calculated from the Davis Large Cap Value Composite (see description below). Returns from 1/1/02, through the date of this material were calculated from the Large Cap Value (SMA) Composite.

Davis Advisors' Large Cap Value Composite includes all actual, fee-paying, discretionary Large Cap Value investing style institutional accounts, mutual funds, and wrap accounts under management including those accounts no longer managed. Effective 1/1/98, a minimum account size of \$3,500,000 was established. Accounts below this minimum are deemed not to be representative of the Composite's intended strategy and as such are not included in the Composite. A time-weighted internal rate of return formula is used to calculate performance for the accounts included in the Composite.

Davis Advisors' Large Cap Value (SMA) Composite excludes institutional accounts and mutual funds. Performance shown from 1/1/02, through 12/31/10, includes all eligible wrap accounts with a minimum account size of \$3,500,000 from inception date for the first full month of account management and

includes closed accounts through the last day of the month prior to the account's closing. For the performance shown from 1/1/11, through the date of this material, the Davis Advisors' Large Cap Value SMA Composite includes all eligible wrap accounts with no account minimum from inception date for the first full month of account management and includes closed accounts through the last day of the month prior to the account's closing. The net of fees rate of return formula used by the wrap-fee style accounts is calculated based on a hypothetical 3% maximum wrap fee charged by the wrap account sponsor for all account service, including advisory fees for the period 1/1/06, and thereafter. For the gross performance results, custodian fees and advisory fees are treated as cash withdrawals. A list of Davis Advisors' Composites is available upon request.

This material discusses companies in conformance with Rule 206(4)-1 of the Investment Advisers Act of 1940 and guidance published thereunder. Six companies are discussed and are chosen as follows: (1-4) current holdings based on December 31 holdings; (5) the first new position; and (6) the first position that is completely closed out. Starting at the beginning of the year, the holdings from a Large-Cap Value model portfolio are listed in descending order based on percentage owned. Companies that reflect different weights are then selected. For the first quarter, holdings numbered 1, 6, 11, and 16 are selected and discussed. For the second quarter, holdings numbered 2, 7, 12, and 17 are selected and discussed. This pattern then repeats itself for the following quarters. If a holding is no longer in the portfolio then the next holding listed is discussed. No more than two of these holdings can come from the same sector per piece. None of these holdings can be discussed if they were discussed in the previous three quarters. If there were no purchases or sales, the purchases and sales are omitted from the material. If there were multiple purchases and/or sales, the purchase and sale discussed shall be the earliest to occur. As this is primarily a domestic equity strategy, no more than one foreign holding will be discussed in any material. If more than one foreign holding would be discussed based on the criteria above, the holding with the largest percent of assets in the model portfolio would be chosen. However, if the model portfolio has an aggregate foreign holding percentage that is greater than 15% the commentary would include a discussion of the largest foreign holding in the model portfolio that has not been discussed in the previous three quarters. Other than the recent buy and sell, any company discussed must constitute at least 1% of the portfolio as of December 31.

The information provided in this material does not provide information reasonably sufficient upon which to base an investment decision and should

not be considered a recommendation to buy or sell any particular security. There is no assurance that any of the securities discussed herein will remain in an account at the time this material is received or that securities sold have not been repurchased. The securities discussed do not represent an account's entire portfolio and in the aggregate may represent only a small percentage of any account's portfolio holdings. It should not be assumed that any of the securities discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. It is possible that a security was profitable over the previous five year period of time but was not profitable over the last year. In order to determine if a certain security added value to a specific portfolio, it is important to take into consideration at what time that security was added to that specific portfolio. A complete listing of all securities purchased or sold in an account, including the date and execution prices, is available upon request.

The investment objective of a Davis Large Cap Value account is long-term growth of capital. There can be no assurance that Davis will achieve its objective. Davis Advisors uses the Davis Investment Discipline to invest a client's assets principally in common stocks (including indirect holdings of common stock through depository receipts) issued by large companies with market capitalizations of at least \$10 billion. Historically, the Large-Cap Value strategy has invested a significant portion of its assets in financial services companies and in foreign companies, and may also invest in mid- and small-capitalization companies. The principal risks are: China risk, common stock risk, depository receipts risk, emerging market risk, fees and expenses risk, financial services risk, focused portfolio risk, foreign country risk, foreign currency risk, headline risk, large-capitalization companies risk, manager risk, mid- and small-capitalization companies risk, and stock market risk. See the ADV Part 2 for a description of these principal risks.

The attractive growth reference in this material relates to underlying characteristics of the portfolio holdings. There is no guarantee that the portfolio performance will be positive as equity markets are volatile and an investor may lose money.

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

The **S&P 500 Index** is an unmanaged index that covers 500 leading companies and captures approximately 80% coverage of available market capitalization. The **Russell 1000 Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The Russell 1000 Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. Investments cannot be made directly in an index.