

# Davis Large Cap Value SMA

A History of Outperformance. Positioned for the Future.



**Historically, the longer investors stayed with us, the more likely they earned attractive returns.**

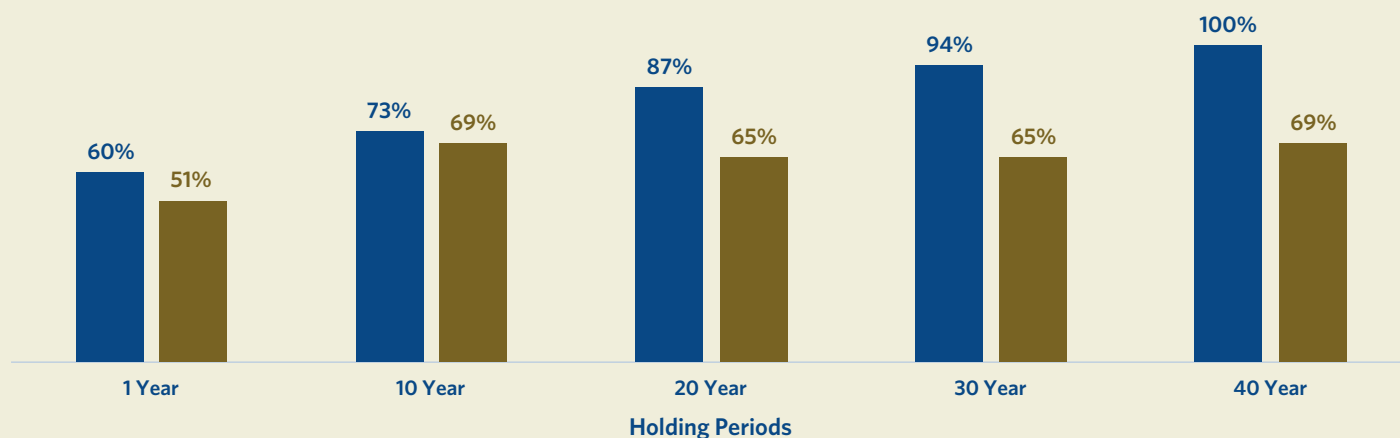
Davis Large Cap Value SMA Composite outperformed the market with a great degree of consistency over the long-term. As shown below, the portfolio outperformed the market in 73% of all ten year periods since its inception. As an investor's holding period increased, the likelihood of outperforming also increased.

**Today, we believe the portfolio is well-positioned for the future by owning a selective portfolio of businesses:**

	Portfolio	R1V	S&P 500
Selective Holdings	26	869	503
Attractive Growth EPS Growth (5 Year) <sup>1</sup>	21.4%	9.6%	17.7%
Undervalued P/E (Forward) <sup>2</sup>	14.1x	18.9x	24.9x

## Percentage of Time Large Cap Value SMA Outperformed the Market

■ Gross ■ Hypothetical 3% maximum wrap fee included (net)



## Performance (%)

	1 Year	5 Years	10 Years	15 Years	25 Years	35 Years	40 Years	50 Years
Large Cap Value SMA (gross)	16.89	11.64	10.91	11.43	7.77	11.06	12.50	14.15
Large Cap Value SMA (net 3%)	13.48	8.36	7.66	8.16	5.19	8.97	10.55	12.40
Russell 1000 Value	14.37	8.67	8.48	10.74	7.36	9.64	10.83	—
S&P 500	25.02	14.51	13.09	13.87	7.69	10.60	11.77	12.37

**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 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.**

1. 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 17.7%. 2. 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 24.9x. Inception date is 4/1/69. As of 12/31/24. **Past performance is not a guarantee of future returns.** The market is represented by the S&P 500 Index. There is no guarantee that the Davis Large Cap Value SMA Composite will continue to outperform the market over the long term.

*This material may be shared with existing and potential clients to provide information concerning market conditions and the investment strategies and techniques used by Davis Advisors to manage its client accounts. Please refer to Davis Advisors Form ADV Part 2 for more information regarding investment strategies, risks, fees, and expenses. Clients should also review other relevant material, including a schedule of investments listing securities held in their account.*

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 purchase 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.

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 report 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 report, 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 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.

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 Large Cap Value accounts invest primarily in common stock of large companies with market capitalizations of at least \$10 billion. The principal risks are: China risk, common stock risk, depositary 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.

**Outperforming the Market.** Davis Large Cap Value SMA Composite's average annual total returns were compared against the returns earned by the S&P 500 Index at the end of each quarter for all rolling time periods from 4/1/69 through 12/31/24. The Composite's returns assume an investment on the first day of each quarter. The returns are gross of fees. If fees were imposed, the reported figures would be lower. The figures shown reflect past results; past performance is not a guarantee of future results. There can be no guarantee that an account will continue to deliver consistent investment performance. The performance presented includes periods of bear markets when performance was negative. 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, Wilshire, Lipper, and index websites.

The **S&P 500 Index** is an unmanaged index of 500 selected common stocks, most of which are listed on the New York Stock Exchange. The index is adjusted for dividends, weighted towards stocks with large market capitalizations and represents approximately two-thirds of the total market value of all domestic common stocks. Investments cannot be made directly in an index.

The **Russell 1000 Value Index (R1V)** measures the performance of the large-cap value segment of the US equity universe. It includes those Russell 1000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years). The Russell 1000 Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

After 4/30/25, this material must be accompanied by a supplement containing performance data for the most recent quarter end.