

# Selected American Shares

March 31, 2021

## Long-Term Capital Appreciation<sup>1</sup>

**Selected American Shares is one of the nation's premier large cap domestic equity funds. For more than 25 years, our time-tested investment discipline has been applied to build and preserve wealth.**

### ► Why Invest in Selected American Shares

- Equity-Focused Research Firm:** Established in 1969, Davis Advisors is a leading specialist in equity investing. Our primary focus on equity 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.
- Attractive Results:** The Fund outperformed the Index in 84% of all 20 year periods since Davis Advisors began management.
- Flexible, Opportunistic Approach:** We believe a bottom-up stock selection process and not mirroring the benchmark index are keys to long-term outperformance.
- We Are One of the Largest Shareholders:** We have a unique commitment to stewardship, generating attractive long-term results, managing risks and minimizing fees.

### ► Undervalued. Attractive Growth. Selective.<sup>2</sup>

		Fund	Index
<b>Undervalued</b>	P/E (Forward)	14.8x	22.5x
<b>Attractive Growth</b>	EPS Growth (5 Year)	21.3%	19.4%
<b>Selective</b>	Holdings	42	505

### ► Experienced Management

Chris Davis, 32 years with Davis Advisors  
Danton Goei, 22 years with Davis Advisors

### ► Our Investment Alongside Our Shareholders

We have more than \$2 billion invested in Davis Strategies and Funds.<sup>3</sup>

### ► Fund Facts

Inception Date (CI-D)	5/3/04
Inception Date (CI-S)	5/1/93
Total Net Assets	\$2.1 billion
Active Share	83%

### ► Symbols

D Shares	SLADX
S Shares	SLASX

### ► Expenses

Expense Ratio (CI-D) <sup>4</sup> vs.	
Lipper Category Average	0.66% vs. 0.86%
Expense Ratio (CI-S) <sup>4</sup> vs.	
Lipper Category Average	0.98% vs. 0.86%

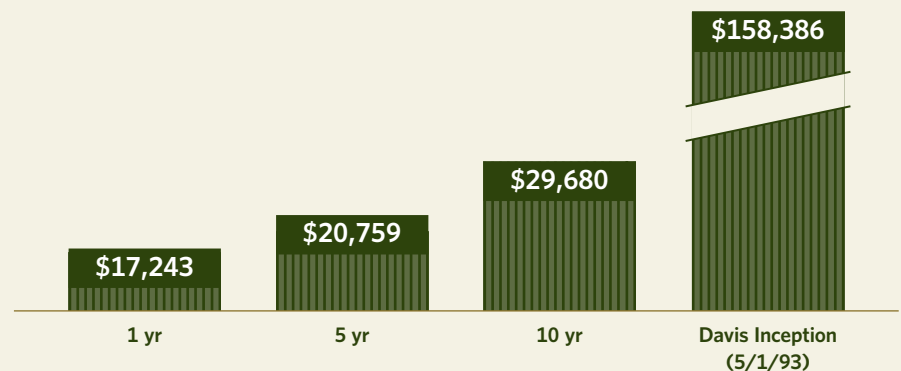
### ► Top 10 Holdings

	Fund	Index
Alphabet	8.3%	3.6%
Capital One Financial	7.5	0.2
Applied Materials	7.0	0.4
Wells Fargo	6.2	0.5
Berkshire Hathaway	5.7	1.5
Amazon.com	4.6	3.9
JPMorgan Chase	4.4	1.4
Facebook	4.2	2.1
U.S. Bancorp	3.8	0.2
American Express	3.5	0.3

### ► Sectors

	Fund	Index
Financials	41.6%	12.4%
Communication Services	15.3	10.9
Consumer Discretionary	15.1	12.5
Information Technology	15.0	25.4
Industrials	7.0	8.9
Health Care	6.0	13.0
Consumer Staples	—	6.2
Energy	—	2.8
Materials	—	2.7
Utilities	—	2.7
Real Estate	—	2.5

## SAS Has Grown Shareholder Wealth Over the Long Term



*The average annual total returns for Selected American Fund S shares for periods ending March 31, 2021, are: 1 year, 72.43%; 5 years, 15.72%; and 10 years, 11.48%. 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 for Class S shares as of the most recent prospectus was 0.98%. The total annual operating expense ratio for Class D shares as of the most recent prospectus was 0.66%. 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 [selectedfunds.com](http://selectedfunds.com) or call 800-243-1575.*

## Contacts

**Shareholder Services**  
800-243-1575

**Financial Advisor Services**  
800-293-2007

Performance statements herein are representative of the Fund's Class S shares. Performance includes the reinvestment of dividends and capital gain distributions. As of 3/31/21. Investments cannot be made directly in an index. Davis Selected Advisers, L.P., began managing the Fund on 5/1/93. Prior to that date, the Fund was managed by a different investment adviser. Data shown in chart is based on a hypothetical \$10,000 investment in the Fund. **Past performance is not a guarantee of future results.**

**1.** In addition to capital growth, the Fund also seeks income as part of its investment objective. In the current market environment, income is expected to be low. There is no guarantee that the Fund will meet its investment objective. **2.** The Attractive Growth and Undervalued reference in this piece relates to underlying characteristics of the portfolio holdings. There is no guarantee that the Fund's performance will be positive as equity markets are volatile and an investor may lose money. **3.** Includes Davis Advisors, Davis family and Foundation, our employees, and Fund directors. As of 12/31/20. **4.** As of most recent prospectus. Net expenses. The Fund is categorized by Lipper as Large-Cap Core.

*This material is furnished to you by Davis Distributors, LLC, which acts as the distributor of Selected Funds. This material is authorized for use by existing shareholders. A current Selected American Shares prospectus must accompany or precede this piece if it is distributed to prospective shareholders. You should carefully consider the Fund's investment objective, risks, fees, and expenses before investing. Read the prospectus carefully before you invest or send money.*

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).

Selected Funds has adopted a Portfolio Holdings Disclosure policy that governs the release of non-public portfolio holding information. This policy is described in the statement of additional information. Visit [selectedfunds.com](http://selectedfunds.com) or call 800-243-1575 for the most current public portfolio holdings information.

**Objective and Risks.** Selected American Shares' investment objective is capital growth and income. In the current market environment, we expect that income will be low. There can be no assurance that the Fund will achieve its objective. Selected American Shares invests primarily in equity securities issued by large companies with market capitalizations of at least \$10 billion. Some important risks of an investment in the Fund are: **common stock risk:** an adverse event may have a negative impact on a company and could result in a decline in the price of its common stock; **depository receipts risk:** depository receipts may trade at a discount (or premium) to the underlying security and may be less liquid than the underlying securities listed on an exchange; **emerging market risk:** securities of issuers in emerging and developing markets may present risks not found in more mature markets; **fees and expenses risk:** the Fund may not earn enough through income and capital appreciation to offset the operating expenses of the Fund; **financial services risk:** investing a significant portion of assets in the financial services sector may cause the Fund to be more sensitive to systemic risk, regulatory actions, changes in interest rates, non-diversified loan portfolios, credit, and competition; **foreign country risk:** foreign companies may be subject to greater risk as foreign economies may not be as strong or diversified. As of 3/31/21, the Fund had approximately 17.8% of assets invested in foreign companies; **foreign currency risk:** the change in value of a foreign currency against the U.S. dollar will result in a change in the U.S. dollar value of securities denominated in that foreign currency; **headline risk:** the Fund may invest in a company when the company becomes the center of controversy. The company's stock may never recover or may become worthless; **large-capitalization companies risk:** companies with \$10 billion or more in market capitalization generally experience slower rates of growth in earnings per share than do mid- and small-capitalization companies; **manager risk:** poor security selection may cause the Fund to underperform relevant benchmarks; **mid- and small-capitalization companies risk:** companies with less than \$10 billion in market capitalization typically have more limited product lines, markets and financial resources than larger companies, and may trade less frequently and in more limited volume; and **stock market risk:** stock markets have periods of rising prices and periods of falling prices, including sharp declines. See the prospectus for a complete description of the principal risks.

Large-Cap Core funds invest at least 75% of their equity assets in companies with market capitalizations (on a three-year weighted basis) above Lipper's USDE large-cap floor. Large-cap core

funds have more latitude in the companies in which they invest. These funds typically have an average characteristics compared to the S&P 500 Index.

**Outperforming the Market.** Selected American Shares' average annual total returns for Class S shares were compared against the returns of the S&P 500 Index as of the end of each quarter for all time periods shown from 7/1/93, through 3/31/21. The Fund's returns assume an investment in Class S shares on the first day of each period with all dividends and capital gain distributions reinvested for the time period. The figures shown reflect past results; past performance is not a guarantee of future results. There can be no guarantee that the Fund 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. Returns for other share classes will vary.

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.

Forward Price/Earnings (Forward P/E) Ratio is a stock's current price divided by the company's forecasted earnings for the following 12 months. The values for the portfolio and index are the weighted average of the P/E ratios of the stocks in the portfolio or index.

Five-Year EPS Growth Rate is the average annualized earning per share growth for a company over the past five years. The values for the portfolio and index are the weighted average of the five-year EPS Growth Rates of the stocks in the portfolio or index.

After 7/31/21, this material must be accompanied by a supplement containing performance and rating data for the most recent calendar quarter.

Selecting Quality Companies for the Long Term™ is a service mark of Davis Selected Advisers, L.P.

**Shares of the Selected 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.**