

DAVIS FUNDS SICAV

Société d'investissement à capital variable

Luxembourg

Registered office: 49, Avenue J.F. Kennedy, L-1855, Kirchberg, Luxembourg
R.C.S. Luxembourg B 49537

SIMPLIFIED PROSPECTUS

November 2010

This Simplified Prospectus provides important information concerning the DAVIS FUNDS SICAV (the "FUND"). The FUND was founded on 19 December 1994 and registered pursuant to Luxembourg law of 20 December 2002 relating to undertakings for collective investment as an "Undertaking for Collective Investment in Transferable Securities" (a "UCITS"). Please refer to the FUND's complete Prospectus for a detailed description of the FUND and the risks involved in investing in the FUND.

The shares have not been registered under the United States Securities Act of 1933 and may not be offered, directly or indirectly in the United States of America (including its territories and possessions), to residents thereof or to persons normally resident therein, or to any partnership or persons connected thereto unless pursuant to any applicable statute, rule, or interpretation available under United States law.

No person is authorised to make any representations, or provide any information, other than what is contained in this Simplified Prospectus, the complete Prospectus, incorporated by reference into this Simplified Prospectus, or included in the official filings with the appropriate authorities.

All references herein to times and hours refer to Luxembourg local time.

Besides offering potential gains, securities investments also involve risks. Both their market prices and – in the case of international securities – the exchange rate of the currencies in which they are denominated can rise and fall. The prices of equities and fixed-income securities may decline compared to the cost price; e.g., due to the development of the capital markets or the specific development of the issuers. The risk of default, i.e., of an issuer becoming unable to repay a bond, cannot be entirely eliminated even by the most painstaking selection of issues.

No assurance can thus be given that the FUND's investment objectives will be met.

Board of Directors**Chairman**

- Andrew A. Davis, Portfolio Manager, Davis Selected Advisers, L.P., Santa Fe, New Mexico 87501, USA

Directors

- Roland Simon, Managing Director, NORAMCO AG, Bollendorf, Germany
- Kenneth C. Eich, Chief Operating Officer, Davis Selected Advisers, L.P., Tucson, Arizona 85756, USA

Investment Adviser

Davis Selected Advisers, L.P., 2949 East Elvira Road, Suite 101, Tucson, Arizona 85756, USA

Promoter

Davis Selected Advisers, L.P., 2949 East Elvira Road, Suite 101, Tucson, Arizona 85756, USA

Custodian and Administration Agent

State Street Bank Luxembourg S.A., 49, Avenue J.F. Kennedy, L-1855, Kirchberg, Luxembourg

Registrar and Transfer Agent

The Bank of New York Mellon (Luxembourg) S.A., Vertigo Building – Polaris, 2-4 rue Eugène Ruppert, L-2453, Luxembourg

Auditor

Deloitte S.A., 560, rue de Neudorf, L-2220 Luxembourg

Legal Advisers in Luxembourg

Elvinger, Hoss & Prussen, 2, Place Winston Churchill, B.P. 425, L-2014 Luxembourg

General Distributor

Davis Distributors, LLC, 2949 East Elvira Road, Suite 101, Tucson, Arizona 85756, USA

Information Agent

NORAMCO Asset Management S.A., 53, rue de la Gare, L-6440 Echternach, Luxembourg

Tel: +352-727-444-0

Fax: +352-727-444-30

Supervisory Authority

Commission de Surveillance du Secteur Financier (CSSF), 110, route d'Arlon, L-2991 Luxembourg

PRINCIPAL FEATURES OF THE FUND

The following summary is qualified in its entirety by reference to the more detailed information included in the complete Prospectus. Complete Prospectus, unaudited semi-annual reports, and audited annual reports are available at the registered office of the FUND.

The FUND is an investment company organised under Luxembourg law as a société anonyme qualifying as a société d'investissement à capital variable.

The Funds:

The FUND offers four separate Funds with two classes of shares (A and B Shares):

- Davis Value Fund – A shares: LU0067888072, B shares: LU0117068782
- Davis Opportunities Fund – A shares: LU0067889476, B shares: LU0117069087
- Davis Real Estate Fund – A shares: LU0082098806, B shares: LU0117069160 and
- Davis Financial Fund – A shares: LU0082099283, B shares: LU0117069756.

Each Fund represents a separate pool of assets and may issue separate classes of shares. The assets of each Fund are invested in accordance with the specific investment policy applicable to such Fund.

Investment Objectives:

Davis Value Fund, Davis Opportunities Fund, and Davis Financial Fund each pursue growth of capital. Any income which they generate will be incidental to their objective. Davis Real Estate Fund pursues total return through a combination of capital growth and current income. The specific investment objective and policy of each Fund is set forth in this Prospectus.

SPECIFIC INFORMATION ON THE FUNDS

INVESTMENT POLICIES

Davis Value Fund

General

The Fund's investment objective is long-term growth of capital. There can be no guarantee that this objective will be achieved. The Fund invests primarily in equity securities of U.S. companies with market capitalizations of at least 10 billion USD. The Fund also may invest in foreign companies and in companies with smaller market capitalizations. Current income is not a significant factor in selecting the Fund's investments.

The Fund is managed using the Davis investment philosophy, which stresses a back-to-basics approach. We use extensive research to buy growing companies at value prices and hold on to them for the long term. We look for companies with sustainable growth rates selling at modest price-earnings multiples that we hope will expand as other investors recognize the companies' true worth.

Risk profile

As with any fund that invests in stocks, the market value of shares of common stock can change rapidly and unpredictably as a result of political or economic events as well as a result of the success or failure of the company issuing the stock. The Fund is suitable for long-term investors seeking growth of capital and who are not worried about the possibility of sharp price swings and dramatic market declines.

Davis Opportunities Fund

General

The Fund's investment objective is growth of capital. There can be no guarantee that this objective will be achieved. The Fund invests primarily in common stock of U.S. companies with small and medium market capitalizations of less than 20 billion USD. The Fund normally invests at least 65% of its total assets in equity securities.

Davis Opportunities Fund is managed using the same Davis investment philosophy used to manage Davis Value Fund. Davis Opportunities Fund focuses on smaller, often faster-growing, companies. We use extensive research to buy mid-sized growing companies at value prices and hold on to them for the long term. We look for companies with sustainable growth rates selling at modest price-earnings multiples that we believe allow companies to sustain long-term growth and minimize risks. While the Fund may invest up to 30% of its total net assets in high-yield convertible securities, current income is not a significant factor in selecting the Fund's investments.

Risk profile

A risk of investing in this Fund is the possibility of greater risk by investing in small- and medium-capitalization companies rather than larger, more established companies owing to such factors as more limited product lines and financial resources than larger, more mature companies, and also their securities may trade less frequently and in more limited volume than those of larger, more mature companies. The Fund is suitable for long-term investors seeking growth of capital, primarily in small and medium capitalization companies and who are not worried about the possibility of sharp price swings and dramatic market declines.

Davis Real Estate Fund

General

The Fund's investment objective is total return through a combination of growth and income. The Fund invests primarily in securities of principally U.S. companies engaged in, or related to, the real estate industry, or which own significant real estate assets or which primarily invest in real estate financial instruments. The Fund makes substantial investments in shares of real estate investment trusts which do not qualify as open-ended investment companies within the meaning of Luxembourg law ("REITs"). REITs pool investors' funds for investment primarily in income-producing real estate or real estate-related loans or interests.

2/3 of the Fund's total net assets will be invested in securities of companies which have at least 50% of the value of their assets, gross income, or net profits attributable to ownership, financing, construction, management or sale of real estate, or to products or services that are related to real estate or the real estate industry. The remaining 1/3 of the Fund's net assets may be invested in securities of companies in any other industries.

Risk profile

Because the Fund concentrates its investments in the real estate industry, it is especially vulnerable to risks associated with the direct ownership of real estate. These risks include, inter alia, declines in the value of real estate, risks related to general and local economic conditions, overbuilding and increased competition, volatile interest rates, and other factors. The Fund is suitable for long-term investors seeking to invest in a

concentrated portfolio of real estate companies and who are not worried about the possibility of sharp price swings and dramatic market declines.

Davis Financial Fund

General

The Fund's investment objective is long-term growth of capital. The Fund invests a minimum of 2/3 of its total net assets in common stocks and other equity securities and concentrates investments in principally U.S. companies engaged in the banking and financial services industries.

Risk profile

Because the Fund concentrates its investments in companies principally engaged in the banking and financial services industries, it is especially vulnerable to risks affecting those sectors of the economy. These risks include rapidly changing regulatory developments, volatile interest rates, concentration of loans in particular industries (such as real estate or energy), and significant competition. The Fund is suitable for long-term investors seeking to invest in a concentrated portfolio of financial services companies and who are not worried about the possibility of sharp price swings and dramatic market declines.

GENERAL CONSIDERATIONS APPLICABLE TO ALL FUNDS

Each of the Fund's shares will fluctuate in price as the value of the common stock and other equity securities in which they invest change in value, and there is a risk for an investor to eventually recover an amount lower than that invested. The market values of shares of common stock 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 owned by a Fund. The market value of common stock also varies with the success or failure of the company issuing the stock. The common stocks and other equity securities which the Funds invest in are generally traded on recognised exchanges or in other regulated markets open to the public.

The Funds may hold cash and short-term money market instruments until attractive investment opportunities are identified and to meet operating expenses, provided their remaining maturity is less than 12 months.

The Funds will not make use of financial derivative instruments for any purpose whatsoever.

The Funds may also engage in securities lending and enter into repurchase and reverse repurchase agreements. For temporary defensive purposes, the Funds may reduce their investment in common stocks and other equity securities. To protect the value of their assets, the Funds may invest in high-quality short-term debt securities issued by governments, agencies, or corporations. Each Fund invests primarily in the common stock of domestic U.S. companies. Each Fund may also invest in the securities of foreign companies.

When purchasing foreign securities, a Fund may purchase the companies' common stock directly through trades of individual securities on recognised exchanges and recognised over-the-counter markets or may purchase American Depositary Receipts (ADRs) covering such securities.

PURCHASING, REDEEMING, AND EXCHANGING SHARES

How to Buy Shares

Class A Shares – Class A shares are offered at net asset value, subject to an initial sales charge of up to 6,1% of the net asset value of such shares. All or a portion of the sales charge may be paid as a commission. If in any country in which the Class A shares are offered, local law or practices require or permit a lower initial sales charge than that shown above for any individual purchase order, the General Distributor may sell shares and may authorise distribution agents to sell shares within such country at a total price less than the applicable price set forth above, but in accordance with the maximum amount permitted by the law or practice of such country.

Class B Shares – Class B shares are offered at net asset value without an initial sales charge but are subject to a CDSC (Contingent Deferred Sales Charge). Commissions may be paid of up to 4% of the purchase price of such shares. Shares will be subject to a CDSC if a shareholder disposes of such shares within a period of four years from the date of purchase. No CDSC is assessed on the value of a shareholder's account represented by undistributed capital gains or income. In addition, no CDSC is assessed on additional shares acquired through the automatic reinvestment of dividends or capital gains distributions. The amount of the CDSC is calculated by applying the following percentages to an amount equal to the lesser of the net asset value per share at the date of redemption and the original cost of the Class B shares to be redeemed. The following table sets forth the rate of CDSC applicable to redemptions of Class B shares.

| <u>Years Since Purchase</u> | <u>CDSC</u> |
|---|-------------|
| Less than one year | 4% |
| One year and above, but less than two years | 3% |
| Two years and above, but less than three years | 2% |
| Three years and above, but less than four years | 1% |
| Four years and above | 0% |

The offering price per share will be the net asset value per share of the relevant class plus, in the case of Class A shares, a sales charge.

All purchases must be paid for in USD. An investor may send a check payable in any other freely convertible currency, but the purchase will not be processed until the foreign currency has been exchanged for USD at the risk and expense of the investor.

Payment should be made by FED WIRE to:

Bank: The Bank of New York Mellon, New York
ABA: 021 0000 18
SWIFT Code: IRVTUS3N
Account Name: BNY LUX (Account 890-0482-826)
FFC Davis Funds Account 6370078400

Ref: Name of the Sub-Fund and class of shares, followed by the application or account number; e.g., Ref: Davis Value Fund A (or B), mentioning also the application number. If no share class is indicated, Class A shares will be purchased.

Davis Value Fund A/B Shares – A-shares: LU0067888072, B-shares: LU0117068782
Davis Opportunities Fund A/B Shares – A-shares: LU0067889476, B-shares: LU0117069087
Davis Real Estate Fund A/B Shares – A-shares: LU0082098806, B-shares: LU0117069160
Davis Financial Fund A/B Shares – A shares: LU0082099283, B-shares: LU0117069756

Calculating the Sales Charge – Class A Shares

Each of the Funds continuously offers its Class A shares to the public at net asset value plus an initial sales charge up to 5,75% of the amount invested (equivalent to a sales charge per share of not more than 6,1% of the net asset value per share). The Distributor may, in its sole discretion, reduce the initial sales charge payable by an investor. If in any country in which the Class A shares are offered, local law or practices require or permit a lower initial sales charge than that shown above for any individual purchase order, the General Distributor may sell shares and may authorise distribution agents to sell shares within such country at a total price less than the applicable price set forth above, but in accordance with the maximum amount permitted by the law or practice of such country. Shares in each of the Funds may be purchased on each bank business day in Luxembourg (each a “Valuation Date”). The appropriate net asset value is determined on each Valuation Date following the day on which cleared subscription monies are received.

How to Redeem Shares

A shareholder may redeem part or all of his shares on any bank business day in Luxembourg. Shares are redeemed at their net asset value determined on each Valuation Date following the day of receipt by the Transfer Agent of the redemption application (subject to any applicable CDSC in the case of Class B shares). Redemption requests may be made by writing to the Transfer Agent. Telephone instructions will not be accepted; all instructions must be in writing.

Redemption proceeds are sent to the shareholder (or to the first named of joint shareholders) at the address on the register.

Investors redeeming shares purchased through certain distribution agents and registered in the name of the distribution agent or its nominee must instruct the distribution agent to redeem the shares, and only the distribution agent is permitted to instruct the FUND to redeem those shares as long as the agreement between the shareholder and the distribution agent or nominee exists.

How to Exchange

A shareholder may exchange a portion or all of his shares in one Fund for shares of the same class of another Fund. Shares are exchanged at their relative net asset value on the Valuation Date following the day the exchange is processed. Class A shares may be exchanged for Class A shares of another fund, and Class B shares may be exchanged for Class B shares of another fund. No exchange charge or initial sales charge or CDSC is imposed on exchanges of shares for four or fewer exchanges per year; however, certain distribution agents may charge a shareholder up to 2% of the value of the shares for exchanges involving Class A shares. Telephone instructions will not be accepted; all instructions must be in writing.

The Funds are not designed for professional market timing organizations or individuals engaged in market timing strategies. If the FUND determines that a pattern of trading reflects a market timing strategy, the FUND reserves the right to refuse to accept orders to purchase shares of any Fund.

INVESTMENT ADVISER, CUSTODIAN, ADMINISTRATION, AND TRANSFER AGENT FEES

The FUND pays the Investment Adviser an annual fee for its services payable in monthly installments. The advisory fee of 1,5% p.a. for each Fund is calculated as a percentage of average net assets.

A distribution fee with respect to Class B shares is payable out of the assets of each Fund at the rate of up to 1,00% p.a. of the FUND's average daily net asset value attributable to each such class. The distribution fee is calculated daily and payable monthly in arrears.

The fees payable to the Custodian and to the Administrative Agent are at such rates and/or amounts as may be agreed from time to time with the Company in accordance with customary banking practice in Luxembourg. The maximum fee payable to the Custodian is 0,02% p.a. and to the Administrative Agent 0,10% p.a., in each case based on the Net Asset Value of the relevant Fund, unless the Net Asset Value of the Fund falls below certain levels in which case agreed minimums will apply. In addition, the Custodian and the Administrator are entitled, as the case may be, to a charge per transaction, a flat fee for certain services or products, reimbursements by the Company for out-of-pocket expenses and disbursements, and for charges of any correspondents.

The FUND pays the Transfer Agent a flat transaction fee, payable monthly, all in accordance with usual practice in Luxembourg. In addition, the Transfer Agent is entitled to be reimbursed by the FUND for its reasonable out-of-pocket expenses. The FUND also pays for administrative and shareholder servicing services necessary for the operation of the FUND to certain distributors.

The FUND pays its own operational expenses, including the cost of buying and selling portfolio securities, brokerage, bank charges, governmental fees, legal and auditing fees, interest, publishing and printing expenses, the cost of preparing the prospectus and explanatory memoranda, financial reports and other documents for the shareholders, fees for listing on any stock exchange or registration of units for public sale in different countries, postage, telephone, and telex. Accruable expenses are taken into account daily in the determination of the net asset value of the shares.

The FUND paid its initial formation costs and pays the expenses of preparing and updating this Prospectus, inter alia, in case of the creation of new Funds.

DIVIDEND POLICY

Dividends are declared by the FUND on its outstanding class A and class B shares at the annual meeting of shareholders. Dividends so declared are automatically reinvested in additional shares at net asset value unless a shareholder specifically requests for the dividends to be paid out in cash. The assets of the Funds are managed to seek growth of capital and will not earn significant current income. Accordingly, any dividend distributions are expected to be insignificant as well.

TAXATION

It is the FUND's policy to comply with the requirements of Luxembourg's current taxation laws and practices. The only tax for which the Sicav is liable is a tax of 0,05% p.a. of its net asset value, which is payable quarterly at the end of the relevant quarter.

PUBLICATIONS

On each stock exchange day, the FUND will publish the offering prices and NAVs of its subfunds in selected newspapers of countries where the FUND is registered.

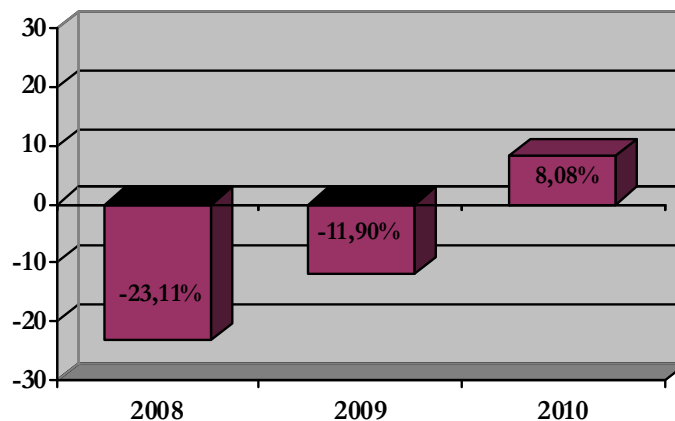
HISTORICAL PERFORMANCE INFORMATION

The charts that follow provide an indication of the risks of investing in the respective Funds. They show the average annual total return of the respective Fund's A shares for each of the last three fiscal years and do not reflect any sales charges. Total return assumes reinvestment of any dividend and capital gain distributions and is based on results in U.S. dollars. The shown performance is not an indicator of future performance.

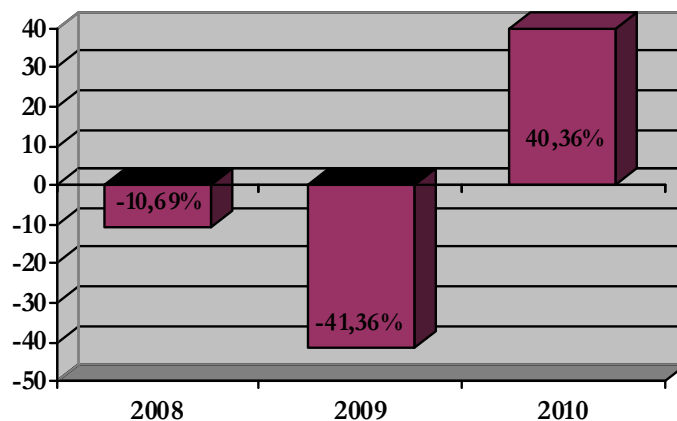
**Davis Value Fund
Fiscal Year 31 July Total Returns
for Class A Shares**



**Davis Opportunities Fund
Fiscal Year 31 July Total Returns
for Class A Shares**



**Davis Real Estate Fund
Fiscal Year 31 July Total Returns
for Class A Shares**



**Davis Financial Fund
Fiscal Year 31 July Total Returns
for Class A Shares**



* This return includes a class action settlement award that had a material impact on investment performance. This was a one-time event that is unlikely to be repeated.

TOTAL EXPENSE RATIO

The total expense ratios for each of the subfunds for the fiscal year ended 31 July 2010 are as follows:

| | Total Expense Ratio |
|-------------------------------|---------------------|
| Davis Value – Class A | 1,74% |
| Davis Value – Class B | 2,87% |
| Davis Opportunities – Class A | 2,47% |
| Davis Opportunities – Class B | 3,50% |
| Davis Real Estate – Class A | 2,50% |
| Davis Real Estate – Class B | 3,50% |
| Davis Financial – Class A | 2,50% |
| Davis Financial – Class B | 3,50% |

Costs incurred (commission costs) to buy and sell securities are not included in total expense ratio.