

Portfolio Facts

Symbol (Class S): SLASX

Our Investment in Our Funds

The Davis family, Davis Advisors, employees, and directors are among the largest shareholders in the Selected Funds. This group also has more than \$2 billion of their own money invested side by side with fellow shareholders in the various mutual funds our firm manages.

Expense Ratio

Selected American Shares Class S	0.92%
Average Domestic Stock Fund ¹	1.87%

Portfolio Manager Tenure

Christopher Davis and Kenneth Feinberg	over 15 years
Average Domestic Portfolio Manager ¹	5 years

Turnover Rate

Selected American Shares Class S	11%
Average Domestic Stock Fund ¹	93%

Lower turnover can lead to a more tax-efficient portfolio. Over the past decade, Selected American Shares turnover has ranged from 3% to 22%.

Morningstar's Highest Stewardship Grade

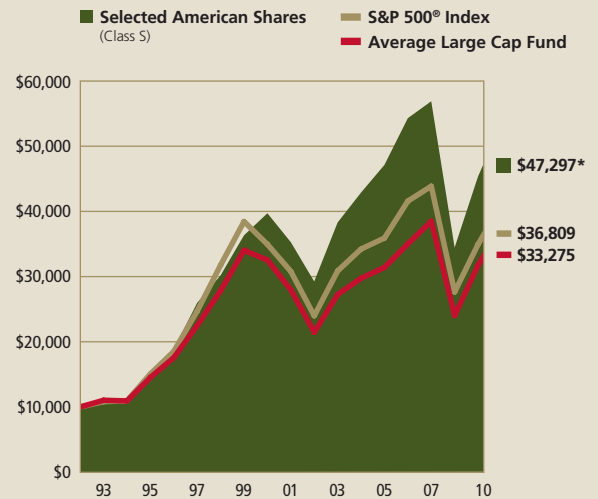
Selected American Shares received the highest overall Stewardship Grade of "A" and also received "A" Grades in all five components of the score, including: quality of the mutual fund board of directors, manager incentives, fees, corporate culture, and regulatory issues.

Investment Results

★★★★ Morningstar®

Large Blend Funds for the 10 year period (731 funds in the category).
Based on risk-adjusted returns.

How a Hypothetical \$10,000 Investment Has Compounded Since Davis Advisors Began Managing the Fund (5/1/93-3/31/10)



Returns for other classes of shares will vary. All returns include the reinvestment of dividends and capital gain distributions. See the endnotes for a description of the indices. **Past performance is not a guarantee of future results.** *The Average Large Cap Fund is represented by the equities in the respective Lipper peer group.

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 average annual total returns for Class S shares for periods ending March 31, 2010 are: before taxes: 1 year, 57.35%; 5 years, 1.97%; and 10 years, 1.79%; returns after taxes on distributions: 1 year, 57.17%; 5 years, 1.83%; and 10 years, 1.39%; and returns after taxes on distributions and sale of fund shares: 1 year, 37.50%; 5 years, 1.68%; and 10 years, 1.37%. 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 or call 800-243-1575. See the endnotes for important after-tax return disclosure. As of March 31, 2010, Selected American Shares was rated against the following numbers of U.S.-domiciled large blend funds over the following time periods: 1,785 funds in the last 3 years, 1,402 funds in the last 5 years, and 731 funds in the last 10 years. With respect to these U.S.-domiciled large blend funds, Selected American Shares received a Morningstar Rating of 3 stars, 3 stars and 4 stars for the 3, 5 and 10 year periods, respectively. Past performance is not a guarantee of future results. Morningstar Rating is for Class S shares only; other classes may have different performance characteristics.

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. The Fund 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: market risk: the market value of shares of common stock can change rapidly and unpredictably; company risk: the market value of a common stock varies with the success or failure of the company issuing the stock; financial services risk: investing a significant portion of assets in the financial services sector may cause a fund to be more volatile as securities within the financial services sector are more prone to regulatory action in the financial services industry, more sensitive to interest rate fluctuations, and are the target of increased competition; and foreign country risk: companies operating, incorporated, or principally traded in foreign countries may have more fluctuation 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 March 31, 2010, the Fund had approximately 16.4% of assets invested in foreign companies. See the prospectus for a complete listing of the principal risks.

¹Source: Morningstar Principia Pro. Morningstar Average Domestic Stock Fund averages are comprised of the oldest share class for each fund within the category.

For additional information on Selected American Shares, please contact your Selected Funds Relationship Manager at 800-243-1575.

This material is authorized for use by existing shareholders. A current Selected Funds prospectus must accompany or precede this material if it is distributed to prospective shareholders. You should carefully consider the Fund's investment objectives, risks, fees, and expenses before investing. Read the prospectus carefully before you invest or send money.

Turnover Ratio is a measure of the trading activity in a mutual fund's investment portfolio that reflects how often securities are bought and sold. Turnover Ratio amounts are as of the most recent audited annual report. Expense Ratio is the cost of doing business for a mutual fund, expressed as a percentage of the fund's net assets. Expense Ratio amounts are as of the most recent prospectus. Over the last five years, the high and low turnover ratio for Selected American Shares was 18% and 4%, respectively.

The net expense ratio for Selected American Shares Class S for the fiscal period ended December 31, 2009 was 0.94%.

Effective July 1, 2009, Davis Advisors voluntarily and permanently reduced any management fee breakpoints ABOVE 0.55% to 0.55% for Selected American Shares.

After-tax returns show the Fund's annualized after-tax total return for the time period specified. After-tax returns with shares sold show the Fund's annualized after-tax total return for the time period specified plus the tax effect of selling your shares at the end of the period. To determine these figures, distributions are treated as taxed at the maximum tax rate in effect at the time they were paid with the balance reinvested. The maximum rates are currently 35% for non-qualified dividend income and short-term capital gain distributions. Long-term capital gains and qualified dividends currently are taxed at a maximum 15% rate. The tax rate is applied to distributions prior to reinvestment and the after-tax portion is reinvested in the Fund. State and local taxes are ignored.

©2010 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. For each fund with at least a 3-year history, Morningstar calculates a Morningstar Rating™ based on Morningstar's risk-adjusted return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in a category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating™ for a fund is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year Morningstar Rating™ metrics. The Morningstar Ratings™ are for the specified share class; other classes may have different performance characteristics. Ratings are based on past performance and are not a guarantee of future results. **The rating is subject to change and is as of March 31, 2010.**

Morningstar assigns a stewardship grade to funds it covers. The overall stewardship grade is the sum of the following five components that are graded on a scale of A through F: Regulatory Issues, Board Quality, Manager Incentives, Fees, and Corporate Culture. The overall grade will range from an A to an F. Morningstar utilizes a fund's public filings, responses to a survey sent out by Morningstar to the fund company and the expertise of the Morningstar analysts to determine a fund grade. **The grades are subject to change and are as of March 31, 2010.**

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 toward 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 Lipper Average Large Cap peer group is a combined category including the Lipper Large Cap Growth, Core, and Value peer groups. Lipper Large Cap peer groups are funds that, by portfolio practice, 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. Funds are categorized as Growth, Core, or Value based on their portfolio characteristics; price-to-earnings ratio, price-to-book ratio, and three-year sales-per-share growth value. Growth funds typically have above-average characteristics, Core funds typically have average characteristics, and Value funds typically have below-average characteristics, compared to the S&P 500® Index.

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.

After July 31, 2010, this piece must be accompanied by a supplement containing performance and rating information for the most recent quarter end.

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.