

Selected American Shares

December 31, 2018

Long-Term Capital Appreciation

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. As one of the largest shareholders, we have a unique commitment to client stewardship.

► 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 has outperformed the S&P 500 Index over the 20 year period.
- **We Are Among the Largest Shareholders:** We have a unique commitment to stewardship, generating attractive long-term results, managing risks and minimizing fees.

► Experienced Management

Chris Davis, 29 years with Davis Advisors
Danton Goei, 20 years with Davis Advisors

► Our Investment Alongside Our Shareholders

We have more than \$2 billion of our own money invested in similarly managed accounts and strategies.²

► Symbols

S Shares	SLASX
D Shares	SLADX

► Expenses

Expense Ratio (CI-S) ³	0.97%
Expense Ratio (CI-D) ³	0.65%

► Total Returns—S Shares

Year	Avg. Annual	Cumulative
1	-14.00%	-14.00%
5	5.20	28.89
10	10.61	174.35
15	6.20	146.77
20	5.87	213.03

► Total Returns—D Shares

Year	Avg. Annual	Cumulative
1	-13.71%	-13.71%
5	5.55	31.03
10	10.98	183.59
Life	6.49	151.63

► Portfolio Characteristics

Total Net Assets (\$bn)	1.7
Total Fund Holdings	46
Trailing Positive P/E Ratio	15.8
Weighted Average Market Capitalization (\$bn)	205.1
Weighted Median Market Capitalization (\$bn)	84.7
Beta (3 year)	1.2
Standard Deviation (5 year, Class S)	13.0

► Top 10 Industries

Diversified Financials	20.4%
Media & Entertainment	15.8
Banks	15.1
Retailing	12.9
Capital Goods	11.5
Information Technology	7.8
Energy	5.7
Insurance	2.8
Materials	2.6
Consumer Services	2.3

► Top 10 Holdings

Alphabet	9.0%
Berkshire Hathaway—Class A	6.9
Wells Fargo	6.0
Amazon.com	5.5
Bank of New York Mellon	4.9
Capital One Financial	4.8
United Technologies	4.6
JPMorgan Chase	4.4
Facebook—Class A	3.9
Didi Chuxing Joint	3.8

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 0.97%. The total annual operating expense ratio for Class D shares as of the most recent prospectus was 0.65%. 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.

Contacts

Shareholder Services

800-243-1575

Financial Advisor Services

800-293-2007

1. Class S shares. Performance includes the reinvestment of dividends and capital gain distributions. **Past performance is not a guarantee of future results.** 2. Includes Davis Advisors, Davis family and Foundation, our employees, and Fund directors. As of December 31, 2018. 3. As of most recent prospectus.

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). Allocations shown are at the Industry Group level except for the following industry groups which have been combined as indicated: Information Technology: Software & Services, Technology Hardware & Equipment, Semiconductors & Semiconductor Equipment; Health Care: Pharmaceuticals, Biotechnology & Life Sciences, Health Care Equipment & Services. The Advisor may reclassify a company into an entirely different industry if it believes that the GICS classification for a specific company does not accurately describe the company. Industry Group weightings are subject to change.

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 prospectus. Visit 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 December 31, 2018, the Fund had approximately 20.0% 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.

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 Trailing Positive P/E Ratio of a stock is calculated by dividing the current price of the stock by its trailing 12 months' earnings per share. Portfolio totals are computed using an inverse harmonic methodology. Stocks with negative P/E ratios are excluded from the portfolio totals.

The Weighted Average Market Capitalization is the portfolio-weighted mean capitalizations of all equity securities.

The Weighted Median Market Capitalization is the portfolio-weighted statistical median of all securities capitalizations in a portfolio.

Beta is a measure of a fund's sensitivity to market movements in the last 36 months. The Fund's Index as indicated in the prospectus has a Beta of 1.00. While no single measurement can predict the future, a Beta of greater than 1.00 predicts greater volatility and a Beta of less than 1.00 predicts less volatility than the stock market as a whole.

Standard Deviation is a statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that are most likely for a given fund. When a fund has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

After April 30, 2019, 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.