

Davis Funds SICAV Investment Company

31 July 2012

Annual Report

Fund of Luxembourg Law

Société d'investissement à capital variable Luxembourg

Reports and Accounts

For the Year Ended 31 July 2012

Registration Number B 49537

Davis Advisors

Investment Manager

No subscriptions can be received solely on the basis of financial reports. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the latest annual and most recent interim report, if published thereafter.

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This Annual Report is authorized for use by existing shareholders. Prospective shareholders must receive a current Davis Funds (SICAV) prospectus, which contains more information about investment strategies, risks, charges, and expenses. Please read the prospectus carefully before investing or sending money.

Shares of Davis Funds (SICAV) 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.

Performance Overview

Davis Value Fund's Class A shares delivered a total return on net asset value of 0.54% for the year ended 31 July 2012. Over the same time period, the Standard & Poor's 500[®] Index ("Index") returned 9.13%. The sectors¹ within the Index that turned in the strongest performance over the year were telecommunication services, consumer staples, and utilities. The sectors within the Index that turned in the weakest performance over the year were materials, energy, and financials with materials and energy turning in negative performance.

Factors Impacting the Fund's Performance

Energy companies were the most important detractor² from the Fund's performance. The Fund's energy companies under-performed the corresponding sector within the Index and had a slightly higher relative average weighting in this weaker performing sector. Canadian Natural Resources³, Devon Energy, OGX Petroleo e Gas Participacoes, Occidental Petroleum, and China Coal Energy were among the most important detractors from performance.

Material companies were another important detractor from the Fund's performance. The Fund's material companies under-performed the corresponding sector within the Index and had a higher relative average weighting in this weaker performing sector. Sino-Forest and Rio Tinto were among the most important detractors from performance. Monsanto was among the most important contributors to performance. The Fund no longer owns Sino-Forest.

Information technology companies contributed slightly to the Fund's absolute performance, but detracted from performance relative to the Index. The Fund's information technology companies under-performed the corresponding sector within the Index and had a lower relative average weighting. Hewlett-Packard was among the most important detractors from performance.

Consumer staple companies were the most important contributor to the Fund's performance. The Fund's consumer staple companies out-performed the corresponding sector within the Index and had a higher relative average weighting in this stronger performing sector. CVS Caremark, Costco Wholesale, Coca-Cola, and Diageo were among the most important contributors to performance.

The Fund had more invested in financial companies than any other sector over the year and they were the second most important contributor to the Fund's performance. The Fund's financial companies out-performed the corresponding sector within the Index, but had a higher relative average weighting in this weaker performing sector. Wells Fargo, American Express, and Berkshire Hathaway were among the most important contributors to performance while Bank of New York Mellon was among the most important detractors from performance.

The Fund had approximately 15% of its net assets in non-U.S. companies at 31 July 2012. As a whole, those companies under-performed the U.S. companies held by the Fund.

Davis Value Fund's investment objective is long-term growth of capital. There can be no assurance that the Fund will achieve its objective. Davis Value Fund's principal risks are: market risk, company risk, financial services risk, non-U.S. country risk, fees and expenses risk, headline risk, and selection risk. See the prospectus for a full description of each risk.

¹ The companies included in the Standard & Poor's 500[®] Index are divided into ten sectors. One or more industry groups make up a sector.

² A company's or sector's contribution to or deduction from the Fund's performance is a product both of its appreciation or depreciation and its weighting within the Fund. For example, a 5% holding that rises 20% has twice as much impact as a 1% holding that rises 50%.

³ This Management Discussion of Fund Performance discusses a number of individual companies. The information provided in this report does not provide information reasonably sufficient upon which to base an investment decision and should not be considered a recommendation to purchase or sell any particular security. The Schedule of Investments lists the Fund's holdings of each company discussed.

DAVIS FUNDS SICAV
DAVIS VALUE FUND - (CONTINUED)

Management's Discussion of Fund Performance

AVERAGE ANNUAL TOTAL RETURN FOR PERIODS ENDED 31 JULY 2012

(Based on U.S. Dollars)

FUND & BENCHMARK INDEX	1-YEAR	5-YEAR	10-YEAR	SINCE FUND'S INCEPTION (10/04/95)	EXPENSE RATIO
Class A - <i>without sales charge</i>	0.54%	(2.95)%	4.28%	6.45%	1.80%
Class A - <i>with 5.75% sales charge</i>	(5.25)%	(4.09)%	3.66%	6.09%	1.80%
Standard & Poor's 500 [®] Index	9.13%	1.13%	6.34%	7.92%	

The Standard & Poor's 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 U.S. common stocks. Investments cannot be made directly in the Index.

The performance data for Davis Value Fund contained in this report represents past performance, assumes that all dividend and capital gain distributions were reinvested, and should not be considered as an indication of future performance from an investment in the Fund today. The performance data does not take into account the commissions and costs incurred on the issue and redemption of units. The investment return and principal value will fluctuate so that shares may be worth more or less than their original cost when redeemed. Fund performance changes over time and current performance may be higher or lower than stated. Returns and expense ratios for other classes of shares will vary from the returns and expense ratio stated above. The operating expense ratio may vary in future years.

Performance Overview

Davis Global Fund's Class A shares delivered a negative return on net asset value of 11.67% for the year ended 31 July 2012. Over the same time period, the Morgan Stanley Capital International All Country World Index ("Index") declined 3.64%. The sectors¹ within the Index that turned in the strongest performance over the year were consumer staples, health care, and information technology. The sectors within the Index that turned in the weakest performance over the year were materials, energy, and financials. The Fund's holdings in U.S. companies made the largest contribution² to the Fund's performance while the Fund's holdings in Chinese, Canadian, and Swiss companies were the largest detractors from the Fund's performance.

Factors Impacting the Fund's Performance

Material companies were an important detractor from the Fund's performance. The Fund's material companies underperformed the corresponding sector within the Index, but benefited from a lower relative average weighting in this weaker performing sector. Sino-Forest³ was among the most important detractors from performance. The Fund no longer owns Sino-Forest.

Industrial companies were another important detractor from the Fund's performance. The Fund's industrial companies underperformed the corresponding sector within the Index and had a higher relative average weighting. Kuehne & Nagel and Schneider Electric were among the most important detractors from performance.

Consumer discretionary companies also detracted from the Fund's performance. The Fund's consumer discretionary companies underperformed the corresponding sector within the Index and had a higher relative average weighting. Groupon, Compagnie Financiere Richemont, and Netflix were among the most important detractors from performance. Walt Disney was among the most important contributors to performance.

Consumer staple companies were the most important contributor to the Fund's performance. The Fund's consumer staple companies outperformed the corresponding sector within the Index and benefited from a higher relative average weighting in this stronger performing sector. Coca-Cola, CVS Caremark, and Brazil Pharma were among the most important contributors to performance. The Fund no longer owns CVS Caremark.

Other important detractors from the Fund's performance included OGX Petroleo e Gas Participacoes, Youku, and China Merchants Bank. Other important contributors to the Fund's performance included America Movil, Wells Fargo, and Hang Lung Group.

Davis Global Fund's investment objective is long-term growth of capital. There can be no assurance that the Fund will achieve its objective. Davis Global Fund's principal risks are: market risk, company risk, non-U.S. country risk, non-U.S. currency risk, emerging market risk, small- and medium-capitalization risk, over-the-counter risk, fees and expenses risk, and headline risk. See the prospectus for a full description of each risk.

¹ The companies included in the Morgan Stanley Capital International All Country World Index are divided into ten sectors. One or more industry groups make up a sector.

² A company's or sector's contribution to or deduction from the Fund's performance is a product both of its appreciation or depreciation and its weighting within the Fund. For example, a 5% holding that rises 20% has twice as much impact as a 1% holding that rises 50%.

³ This Management Discussion of Fund Performance discusses a number of individual companies. The information provided in this report does not provide information reasonably sufficient upon which to base an investment decision and should not be considered a recommendation to purchase or sell any particular security. The Schedule of Investments lists the Fund's holdings of each company discussed.

AVERAGE ANNUAL TOTAL RETURN FOR PERIODS ENDED 31 JULY 2012
(Based on U.S. Dollars)

FUND & BENCHMARK INDEX	1-YEAR	5-YEAR	10-YEAR	SINCE FUND'S INCEPTION (10/04/95)	EXPENSE RATIO
Class A - <i>without sales charge</i>	(11.67)%	(5.17)%	4.56%	4.57%	2.50%
Class A - <i>with 5.75% sales charge</i>	(16.74)%	(6.28)%	3.94%	4.22%	2.50%
MSCI ACWI [®]	(3.64)%	(2.13)%	6.81%	5.70%	

Davis Global Fund invests primarily in equity securities selected on a worldwide basis, including countries with developed or emerging markets. Prior to 2 May 2011, Davis Global Fund was named Davis Opportunities Fund and invested primarily in U.S. equity securities. The performance prior to that date is unlikely to be relevant to future performance.

The MSCI ACWI[®] is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The Index includes reinvestment of dividends, net of foreign withholding taxes. Investments cannot be made directly in the Index.

The performance data for Davis Global Fund contained in this report represents past performance, assumes that all dividend and capital gain distributions were reinvested, and should not be considered as an indication of future performance from an investment in the Fund today. The performance data does not take into account the commissions and costs incurred on the issue and redemption of units. The investment return and principal value will fluctuate so that shares may be worth more or less than their original cost when redeemed. Fund performance changes over time and current performance may be higher or lower than stated. Returns and expense ratios for other classes of shares will vary from the returns and expense ratio stated above. The operating expense ratio may vary in future years.

STATISTICAL INFORMATION

	Davis Value Fund			Davis Global Fund		
	31 July 2012	31 July 2011	31 July 2010	31 July 2012	31 July 2011	31 July 2010
Class A						
Total Net Assets	\$314,780,219	\$417,909,557	\$658,773,875	\$12,245,689	\$14,868,111	\$12,688,310
Net Asset Value	\$27.80	\$27.65	\$24.23	\$20.44	\$23.14	\$19.52
Class B						
Total Net Assets	\$6,734,376	\$8,644,636	\$8,319,384	\$243,267	\$187,907	\$178,504
Net Asset Value	\$24.48	\$24.61	\$21.81	\$18.09	\$20.69	\$17.65
Class I*						
Total Net Assets	\$531,448			\$531,059		
Net Asset Value	\$27.85			\$20.49		

*Class I commenced operations on 1 June 2012.

TOTAL EXPENSE RATIO

The following table shows the total expenses, excluding transaction fees, charged to each Class, calculated net of reimbursements, and expressed as a percentage of average daily net assets for the year ended 31 July 2012. The calculation of each Class's total expense ratio ("TER") complies with the guidelines of the Swiss Fund Association ("SFA").

	Davis Value Fund	Davis Global Fund
Class A	1.80%	2.50%
Class B	2.88%	3.50%
Class I*	0.75%**	1.10%**

*Class I commenced operations on 1 June 2012.

**Annualized.

PORTFOLIO TURNOVER RATE

The portfolio turnover rate ("PTR") for each Fund, calculated by dividing the sum of security purchases and sales (excluding securities with a maturity or expiration date at the time of acquisition of one year or less), less the sum of investor subscriptions and redemptions, by the monthly average assets for the year ended 31 July 2012. The calculation of each Fund's PTR complies with the guidelines of the SFA.

Davis Value Fund	19.86%
Davis Global Fund	57.37%

RISK MANAGEMENT

The Funds and Davis Advisors, the Funds' investment adviser, will use a risk-management process that enables them to monitor and measure at any time the risk of the Funds' portfolio positions and their contribution to the overall risk profile of each Fund. The commitment approach is used for the risk measurement and the calculation of global exposure of the Funds. The Funds do not invest in derivative instruments.

DAVIS FUNDS SICAV
DAVIS VALUE FUND

Schedule of Investments
31 July 2012

	Shares	Value (Note 2)
Transferable Securities Admitted to Official Exchange Listing and Dealt in on Another Regulated Market		
COMMON STOCK – (95.81%)		
CONSUMER DISCRETIONARY – (9.75%)		
Automobiles & Components – (0.37%)		
Harley-Davidson, Inc. – (0.37%)	27,702	\$ 1,197,557
Consumer Durables & Apparel – (0.36%)		
Compagnie Financiere Richemont S.A., Bearer Shares, Unit A (Switzerland) – (0.17%)	9,600	545,522
Hunter Douglas NV (Netherlands) – (0.19%)	16,736	606,704
		1,152,226
Media – (2.80%)		
Grupo Televisa S.A.B., ADR (Mexico) – (0.16%)	23,732	540,853
Walt Disney Co. – (2.64%)	172,930	8,497,780
		9,038,633
Retailing – (6.22%)		
Bed Bath & Beyond Inc. * – (3.28%)	173,300	10,557,436
CarMax, Inc. * – (0.75%)	86,430	2,405,347
Expedia, Inc. – (0.42%)	23,615	1,346,055
Groupon, Inc. * – (0.24%)	118,530	788,817
Li & Fung Ltd. (Hong Kong) – (0.17%)	284,400	548,718
Liberty Interactive Corp., Series A * – (0.51%)	87,325	1,636,034
Netflix Inc. * – (0.54%)	30,900	1,757,283
Tiffany & Co. – (0.31%)	18,000	988,740
		20,028,430
TOTAL CONSUMER DISCRETIONARY		31,416,846
CONSUMER STAPLES – (15.16%)		
Food & Staples Retailing – (10.16%)		
Costco Wholesale Corp. – (3.43%)	114,937	11,055,790
CVS Caremark Corp. – (6.08%)	432,786	19,583,567
Sysco Corp. – (0.32%)	34,490	1,013,661
Walgreen Co. – (0.33%)	29,590	1,075,892
		32,728,910
Food, Beverage & Tobacco – (4.80%)		
Coca-Cola Co. – (1.60%)	63,900	5,163,120
Diageo PLC, ADR (United Kingdom) – (1.25%)	37,500	4,008,750
Heineken Holding NV (Netherlands) – (0.81%)	56,860	2,615,593
Nestle S.A. (Switzerland) – (0.22%)	11,610	714,471
Philip Morris International Inc. – (0.73%)	25,570	2,338,121
Unilever NV, NY Shares (Netherlands) – (0.19%)	17,590	609,493
		15,449,548
Household & Personal Products – (0.20%)		
Natura Cosmeticos S.A. (Brazil) – (0.20%)	24,300	635,177
TOTAL CONSUMER STAPLES		48,813,635
ENERGY – (9.02%)		
Canadian Natural Resources Ltd. (Canada) – (2.43%)	287,700	7,839,825
China Coal Energy Co., Ltd. - H (China) – (0.26%)	872,500	834,944
Devon Energy Corp. – (1.20%)	65,138	3,850,959
EOG Resources, Inc. – (0.81%)	26,689	2,615,789
Occidental Petroleum Corp. – (3.03%)	112,180	9,763,026
OGX Petroleo e Gas Participacoes S.A. (Brazil) * – (0.06%)	64,100	176,090

DAVIS FUNDS SICAV
DAVIS VALUE FUND - (CONTINUED)

Schedule of Investments
31 July 2012

	Shares	Value (Note 2)
Transferable Securities Admitted to Official Exchange Listing and Dealt in on Another Regulated Market – (Continued)		
COMMON STOCK – (CONTINUED)		
ENERGY – (CONTINUED)		
Schlumberger Ltd. – (0.69%)	31,320	\$ 2,231,863
Transocean Ltd. – (0.54%)	37,116	1,738,142
TOTAL ENERGY		29,050,638
FINANCIALS – (36.44%)		
Banks – (6.44%)		
Commercial Banks – (6.44%)		
Wells Fargo & Co. – (6.44%)	614,087	20,762,282
Diversified Financials – (15.96%)		
Capital Markets – (8.47%)		
Ameriprise Financial, Inc. – (0.33%)	20,707	1,070,966
Bank of New York Mellon Corp. – (5.11%)	773,620	16,462,634
Brookfield Asset Management Inc., Class A (Canada) – (0.65%)	61,600	2,082,696
Charles Schwab Corp. – (0.58%)	147,600	1,864,188
Goldman Sachs Group, Inc. – (0.43%)	13,645	1,376,780
Julius Baer Group Ltd. (Switzerland) – (1.37%)	122,800	4,404,591
		27,261,855
Consumer Finance – (6.01%)		
American Express Co. – (6.01%)	335,653	19,370,535
Diversified Financial Services – (1.48%)		
CME Group Inc. – (0.21%)	12,850	669,228
JPMorgan Chase & Co. – (0.67%)	60,068	2,162,448
Visa Inc., Class A – (0.60%)	14,950	1,929,596
		4,761,272
		51,393,662
Insurance – (12.95%)		
Multi-line Insurance – (3.77%)		
Fairfax Financial Holdings Ltd. (Canada) – (0.42%)	3,600	1,354,680
Fairfax Financial Holdings Ltd., 144A (Canada) (a)(b) – (0.39%)	3,290	1,239,743
Loews Corp. – (2.96%)	240,847	9,535,133
		12,129,556
Property & Casualty Insurance – (7.09%)		
ACE Ltd. – (0.84%)	36,810	2,705,535
Berkshire Hathaway Inc., Class A * – (3.68%)	93	11,852,385
Markel Corp. * – (0.16%)	1,177	508,535
Progressive Corp. – (2.41%)	393,084	7,759,478
		22,825,933
Reinsurance – (2.09%)		
Alleghany Corp. * – (1.61%)	14,961	5,173,663
Everest Re Group, Ltd. – (0.48%)	15,400	1,566,180
		6,739,843
		41,695,332
Real Estate – (1.09%)		
Hang Lung Group Ltd. (Hong Kong) – (1.09%)	557,000	3,512,791
TOTAL FINANCIALS		117,364,067

DAVIS FUNDS SICAV
DAVIS VALUE FUND - (CONTINUED)

Schedule of Investments
31 July 2012

	Shares	Value (Note 2)
Transferable Securities Admitted to Official Exchange Listing and Dealt in on Another Regulated Market – (Continued)		
COMMON STOCK – (CONTINUED)		
HEALTH CARE – (3.39%)		
Health Care Equipment & Services – (3.09%)		
Express Scripts Holding Co. * – (3.09%)	171,600	\$ 9,937,356
Pharmaceuticals, Biotechnology & Life Sciences – (0.30%)		
Agilent Technologies, Inc. – (0.30%)	25,596	980,071
TOTAL HEALTH CARE		10,917,427
INDUSTRIALS – (5.14%)		
Capital Goods – (1.32%)		
Emerson Electric Co. – (0.42%)	28,280	1,350,935
PACCAR Inc. – (0.90%)	72,410	2,895,314
		4,246,249
Commercial & Professional Services – (1.32%)		
Iron Mountain Inc. – (1.32%)	131,455	4,234,165
Transportation – (2.50%)		
China Merchants Holdings International Co., Ltd. (China) – (1.32%)	1,361,282	4,248,657
China Shipping Development Co., Ltd. - H (China) – (0.08%)	659,600	281,577
Kuehne & Nagel International AG (Switzerland) – (1.10%)	30,996	3,535,412
		8,065,646
TOTAL INDUSTRIALS		16,546,060
INFORMATION TECHNOLOGY – (8.90%)		
Semiconductors & Semiconductor Equipment – (1.85%)		
Intel Corp. – (0.39%)	49,360	1,268,799
Texas Instruments Inc. – (1.46%)	172,100	4,687,143
		5,955,942
Software & Services – (6.66%)		
Activision Blizzard, Inc. – (0.62%)	166,400	2,002,624
Google Inc., Class A * – (4.05%)	20,602	13,041,066
Microsoft Corp. – (1.08%)	117,870	3,471,861
Oracle Corp. – (0.91%)	96,900	2,925,896
		21,441,447
Technology Hardware & Equipment – (0.39%)		
Hewlett-Packard Co. – (0.39%)	69,200	1,262,208
TOTAL INFORMATION TECHNOLOGY		28,659,597
MATERIALS – (7.62%)		
Air Products and Chemicals, Inc. – (1.40%)	56,200	4,520,166
BHP Billiton PLC (United Kingdom) – (0.52%)	56,700	1,660,797
Ecolab Inc. – (0.65%)	32,080	2,099,636
Martin Marietta Materials, Inc. – (0.26%)	11,000	826,540
Monsanto Co. – (2.48%)	93,379	7,995,110
Potash Corp. of Saskatchewan Inc. (Canada) – (0.91%)	66,220	2,924,275
Praxair, Inc. – (0.76%)	23,500	2,438,360
Rio Tinto PLC (United Kingdom) – (0.52%)	36,460	1,683,632
Sealed Air Corp. – (0.12%)	23,263	376,861
TOTAL MATERIALS		24,525,377

DAVIS FUNDS SICAV
DAVIS VALUE FUND - (CONTINUED)

Schedule of Investments
31 July 2012

	Shares/Principal	Value (Note 2)
Transferable Securities Admitted to Official Exchange Listing and Dealt in on Another Regulated Market – (Continued)		
COMMON STOCK – (CONTINUED)		
TELECOMMUNICATION SERVICES – (0.39%)		
America Movil SAB de C.V., Series L, ADR (Mexico) – (0.39%)	47,040	\$ 1,255,498
TOTAL TELECOMMUNICATION SERVICES		1,255,498
TOTAL COMMON STOCK - (Average identified cost \$248,998,649)		308,549,145
SHORT-TERM INVESTMENTS – (4.40%)		
Societe Generale North America, Inc., Commercial Paper, 0.17%, 08/01/12 – (4.40%)	\$ 14,159,000	14,159,000
TOTAL SHORT-TERM INVESTMENTS - (Average identified cost \$14,159,000)		14,159,000
Total Investments – (100.21%) – (Average identified cost \$263,157,649) - (c)		322,708,145
Liabilities Less Other Assets – (0.21%)		(662,102)
Net Assets – (100.00%)		<u>\$ 322,046,043</u>

ADR: American Depositary Receipt

* Non-Income producing security.

(a) This security is subject to Rule 144A. The Board of Directors of the Fund has determined that there is sufficient liquidity in this security to realize current valuations. This security amounted to \$1,239,743 or 0.39% of the Fund's net assets as of 31 July 2012.

(b) Restricted Security – See Note 8 of the Notes to Financial Statements.

(c) At 31 July 2012, unrealized appreciation (depreciation) of securities is as follows:

Unrealized appreciation	\$ 74,878,516
Unrealized depreciation	(15,328,020)
Net unrealized appreciation	<u>\$ 59,550,496</u>

See Notes to Financial Statements

	Shares	Value (Note 2)
Transferable Securities Admitted to Official Exchange Listing and Dealt in on Another Regulated Market		
COMMON STOCK – (96.16%)		
CONSUMER DISCRETIONARY – (15.37%)		
Consumer Durables & Apparel – (4.43%)		
Compagnie Financiere Richemont S.A., Bearer Shares, Unit A (Switzerland) – (4.05%)	9,280	\$ 527,338
Hunter Douglas NV (Netherlands) – (0.38%)	1,365	49,483
		576,821
Consumer Services – (1.01%)		
Ctrip.com International, Ltd., ADR (China) * – (1.01%)	10,520	131,237
Media – (5.30%)		
Grupo Televisa S.A.B., ADR (Mexico) – (1.76%)	10,070	229,495
Walt Disney Co. – (3.54%)	9,370	460,442
		689,937
Retailing – (4.63%)		
Groupon, Inc. * – (1.41%)	27,510	183,079
Netflix Inc. * – (1.59%)	3,640	207,007
Tiffany & Co. – (1.36%)	3,220	176,874
Vipshop Holdings Ltd., ADS (China) * – (0.27%)	6,430	35,751
		602,711
TOTAL CONSUMER DISCRETIONARY		2,000,706
CONSUMER STAPLES – (13.22%)		
Food & Staples Retailing – (3.82%)		
Brazil Pharma S.A. (Brazil) – (2.74%)	59,760	355,939
Sysco Corp. – (1.08%)	4,790	140,778
		496,717
Food, Beverage & Tobacco – (9.40%)		
Coca-Cola Co. – (3.20%)	5,150	416,120
Diageo PLC (United Kingdom) – (0.51%)	2,500	66,880
Heineken Holding NV (Netherlands) – (3.55%)	10,042	461,938
Lindt & Spruengli AG - Participation Certificate (Switzerland) – (2.14%)	90	279,002
		1,223,940
TOTAL CONSUMER STAPLES		1,720,657
ENERGY – (4.47%)		
OGX Petroleo e Gas Participacoes S.A. (Brazil) * – (0.15%)	7,100	19,504
Schlumberger Ltd. – (1.42%)	2,600	185,276
Tenaris S.A., ADR (Italy) – (2.90%)	9,870	377,824
TOTAL ENERGY		582,604
FINANCIALS – (16.24%)		
Banks – (3.88%)		
Commercial Banks – (3.88%)		
China CITIC Bank Corp. Ltd. - H (China) – (0.74%)	188,400	96,220
China Merchants Bank Co., Ltd. - H (China) – (1.83%)	129,000	238,909
Wells Fargo & Co. – (1.31%)	5,030	170,064
		505,193
Diversified Financials – (4.20%)		
Capital Markets – (2.51%)		
Brookfield Asset Management Inc., Class A (Canada) – (0.61%)	2,330	78,777
CETIP S.A. - Mercados Organizados (Brazil) – (0.88%)	9,100	114,906

	Shares	Value (Note 2)
Transferable Securities Admitted to Official Exchange Listing and Dealt in on Another Regulated Market – (Continued)		
COMMON STOCK – (CONTINUED)		
FINANCIALS – (CONTINUED)		
Diversified Financials – (Continued)		
Capital Markets – (Continued)		
Charles Schwab Corp. – (1.02%)	10,530	\$ 132,994
		326,677
Diversified Financial Services – (1.69%)		
Groupe Bruxelles Lambert S.A. (Belgium) – (0.84%)	1,670	109,465
Pargesa Holding S.A., Bearer Shares (Switzerland) – (0.29%)	620	37,456
RHJ International (Belgium) * – (0.56%)	15,577	72,863
		219,784
		546,461
Insurance – (3.80%)		
Insurance Brokers – (0.22%)		
CNinsure, Inc., ADR (China) * – (0.22%)	4,960	29,140
Multi-line Insurance – (0.52%)		
Fairfax Financial Holdings Ltd. (Canada) – (0.52%)	180	67,734
Property & Casualty Insurance – (3.06%)		
Berkshire Hathaway Inc., Class B * – (3.06%)	4,700	398,748
		495,622
Real Estate – (4.36%)		
Hang Lung Group Ltd. (Hong Kong) – (4.36%)	90,000	567,596
		2,114,872
HEALTH CARE – (5.75%)		
Health Care Equipment & Services – (4.72%)		
Essilor International S.A. (France) – (1.96%)	2,930	255,497
IDEXX Laboratories, Inc. * – (1.41%)	2,090	184,244
Sinopharm Group Co. - H (China) – (1.35%)	60,370	175,183
		614,924
Pharmaceuticals, Biotechnology & Life Sciences – (1.03%)		
Sinovac Biotech Ltd. (China) * – (1.03%)	63,040	133,960
		748,884
INDUSTRIALS – (18.48%)		
Capital Goods – (7.05%)		
Brenntag AG (Germany) – (1.01%)	1,200	131,791
PACCAR Inc. – (2.53%)	8,250	329,876
Schneider Electric S.A. (France) – (3.29%)	7,550	427,788
Shanghai Electric Group Co. Ltd. - H (China) – (0.22%)	74,000	28,631
		918,086
Commercial & Professional Services – (2.75%)		
Nielsen Holdings NV * – (2.75%)	12,560	357,960
Transportation – (8.68%)		
China Merchants Holdings International Co., Ltd. (China) – (1.70%)	70,733	220,763
China Shipping Development Co., Ltd. - H (China) – (0.30%)	91,000	38,847
Expeditors International of Washington, Inc. – (2.12%)	7,780	276,734
Kuehne & Nagel International AG (Switzerland) – (4.39%)	5,011	571,556
LLX Logistica S.A. (Brazil) * – (0.17%)	15,000	21,734
		1,129,634
		2,405,680

	Shares/Principal	Value (Note 2)
Transferable Securities Admitted to Official Exchange Listing and Dealt in on Another Regulated Market – (Continued)		
COMMON STOCK – (CONTINUED)		
INFORMATION TECHNOLOGY – (11.30%)		
Software & Services – (11.30%)		
Angie's List Inc. * – (1.27%)	12,730	\$ 164,853
Google Inc., Class A * – (5.54%)	1,140	721,620
NetEase, Inc., ADR (China) * – (0.90%)	2,230	117,800
Oracle Corp. – (0.63%)	2,700	81,527
Western Union Co. – (1.40%)	10,490	182,841
Youku Inc., ADR (China) * – (1.56%)	11,940	203,099
		1,471,740
TOTAL INFORMATION TECHNOLOGY		1,471,740
MATERIALS – (7.43%)		
Air Products and Chemicals, Inc. – (0.95%)	1,530	123,058
BHP Billiton PLC (United Kingdom) – (1.40%)	6,220	182,190
Greatview Aseptic Packaging Co., Ltd. (China) * – (2.31%)	591,700	301,430
Potash Corp. of Saskatchewan Inc. (Canada) – (1.52%)	4,480	197,837
Rio Tinto PLC (United Kingdom) – (1.25%)	3,520	162,545
TOTAL MATERIALS		967,060
TELECOMMUNICATION SERVICES – (3.90%)		
America Movil SAB de C.V., Series L, ADR (Mexico) – (3.90%)	19,020	507,644
TOTAL TELECOMMUNICATION SERVICES		507,644
TOTAL COMMON STOCK - (Average identified cost \$13,384,232)		12,519,847
PREFERRED STOCK – (0.19%)		
MATERIALS – (0.19%)		
MMX Mineracao e Metalicos S.A. (Brazil) * – (0.19%)	15,000	25,526
TOTAL PREFERRED STOCK - (Average identified cost \$25,779)		25,526
SHORT-TERM INVESTMENTS – (4.24%)		
State Street Bank and Trust Co., Eurodollar Time Deposit, 0.01%, 08/01/12 – (4.24%)	\$ 552,000	552,000
TOTAL SHORT-TERM INVESTMENTS - (Average identified cost \$552,000)		552,000
Total Investments – (100.59%) – (Average identified cost \$13,962,011) - (a)		13,097,373
Liabilities Less Other Assets – (0.59%)		(77,358)
Net Assets – (100.00%)		\$ 13,020,015

ADR: American Depositary Receipt

ADS: American Depositary Share

* Non-Income producing security.

(a) At 31 July 2012, unrealized appreciation (depreciation) of securities is as follows:

Unrealized appreciation	\$ 907,677
Unrealized depreciation	(1,772,315)
Net unrealized depreciation	\$ (864,638)

See Notes to Financial Statements

DAVIS FUNDS SICAV

Statements of Net Assets At 31 July 2012

(Expressed in U.S. Dollars)

	Davis Value Fund	Davis Global Fund	SICAV Total
ASSETS:			
Investments in securities at fair value (Note 2)	\$ 322,708,145	\$ 13,097,373	\$ 335,805,518
Cash	1,650	323	1,973
Receivables:			
Capital stock sold	7,123	3,001	10,124
Dividends and interest	247,806	1,839	249,645
Investment securities sold	330,220	14,582	344,802
Prepaid expenses	1,422	204	1,626
Total assets	323,296,366	13,117,322	336,413,688

LIABILITIES:

Payables:			
Capital stock reacquired	552,001	42,637	594,638
Accrued expenses	698,322	54,670	752,992
Total liabilities	1,250,323	97,307	1,347,630

NET ASSETS	\$ 322,046,043	\$ 13,020,015	\$ 335,066,058
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NET ASSETS CONSIST OF:

Undistributed net investment loss	\$ (34,948,526)	\$ (3,797,771)	\$ (38,746,297)
Unrealized appreciation (depreciation) on investments	59,550,496	(864,638)	58,685,858
Accumulated net realized gains	229,790,183	11,492,887	241,283,070
Paid-in capital	67,653,890	6,189,537	73,843,427
Net assets	\$ 322,046,043	\$ 13,020,015	\$ 335,066,058

CLASS A SHARES

Net assets	\$ 314,780,219	\$ 12,245,689	\$ 327,025,908
Shares outstanding	11,322,582	599,155	11,921,737
Net asset value and redemption price per share (Net assets/Shares outstanding)	<u>\$ 27.80</u>	<u>\$ 20.44</u>	
Maximum offering price per share (100/94.25 of net asset value)	<u>\$ 29.50</u>	<u>\$ 21.69</u>	

CLASS B SHARES

Net assets	\$ 6,734,376	\$ 243,267	\$ 6,977,643
Shares outstanding	275,056	13,446	288,502
Net asset value, offering, and redemption price per share (Net assets/Shares outstanding)	<u>\$ 24.48</u>	<u>\$ 18.09</u>	

CLASS I SHARES

Net assets	\$ 531,448	\$ 531,059	\$ 1,062,507
Shares outstanding	19,084	25,920	45,004
Net asset value, offering, and redemption price per share (Net assets/Shares outstanding)	<u>\$ 27.85</u>	<u>\$ 20.49</u>	

See Notes to Financial Statements

DAVIS FUNDS SICAV
**Statements of Operations
Year ended 31 July 2012**

(Expressed in U.S. Dollars)

	<u>Davis Value Fund</u>	<u>Davis Global Fund</u>	<u>SICAV Total</u>
INVESTMENT INCOME (LOSS):			
Income:			
Dividends, net (Note 2)	\$ 4,950,755	\$ 172,020	\$ 5,122,775
Interest	16,916	46	16,962
Total income	4,967,671	172,066	5,139,737
Expenses:			
Management fees (Note 4)	5,460,768	195,104	5,655,872
Custodian fees	107,522	11,713	119,235
Transfer agent fees:			
Class A	280,841	33,080	313,921
Class B	11,126	1,087	12,213
Class I	13	12	25
Audit fees	44,000	13,500	57,500
Legal fees	47,000	1,600	48,600
Accounting fees	227,463	21,767	249,230
Other charges & taxes	384,187	58,075	442,262
Transaction fees (Note 2)	120,004	9,244	129,248
Service fees paid under distribution plan (Note 4):			
Class B	71,294	1,743	73,037
Total expenses	6,754,218	346,925	7,101,143
Reimbursement of expenses by Investment Adviser (Note 4)	–	(10,756)	(10,756)
Net expenses	6,754,218	336,169	7,090,387
Net investment loss	(1,786,547)	(164,103)	(1,950,650)
REALIZED & UNREALIZED GAIN (LOSS) ON INVESTMENTS:			
Net realized gain (loss) from investments and foreign currency transactions	26,846,360	(535,813)	26,310,547
Net change in unrealized appreciation (depreciation) on investments	(27,547,434)	(978,463)	(28,525,897)
Net realized and unrealized loss on investments and foreign currency transactions	(701,074)	(1,514,276)	(2,215,350)
Net decrease in net assets resulting from operations	\$ (2,487,621)	\$ (1,678,379)	\$ (4,166,000)

See Notes to Financial Statements

DAVIS FUNDS SICAV

**Statements of Changes in Net Assets
Year ended 31 July 2012**

(Expressed in U.S. Dollars)

	<u>Davis Value Fund</u>	<u>Davis Global Fund</u>	<u>SICAV Total</u>
OPERATIONS:			
Net investment loss	\$ (1,786,547)	\$ (164,103)	\$ (1,950,650)
Net realized gain (loss) from investments and foreign currency transactions	26,846,360	(535,813)	26,310,547
Net change in unrealized appreciation (depreciation) on investments during the year	(27,547,434)	(978,463)	(28,525,897)
Net decrease in net assets resulting from operations	(2,487,621)	(1,678,379)	(4,166,000)
CAPITAL SHARE TRANSACTIONS (NOTE 5):			
Class A	(100,752,721)	(935,280)	(101,688,001)
Class B	(1,767,808)	77,656	(1,690,152)
Class I	500,000	500,000	1,000,000
Total decrease in net assets	(104,508,150)	(2,036,003)	(106,544,153)
NET ASSETS:			
Beginning of year	426,554,193	15,056,018	441,610,211
End of year	<u>\$ 322,046,043</u>	<u>\$ 13,020,015</u>	<u>\$ 335,066,058</u>

See Notes to Financial Statements

DAVIS FUNDS SICAV
**Statements of Changes in Net Assets
Year ended 31 July 2011**

(Expressed in U.S. Dollars)

	<u>Davis Value Fund</u>	<u>Davis Global Fund</u>	<u>Davis Financial Fund (Note 1)</u>	<u>Davis Real Estate Fund (Note 1)</u>	<u>SICAV Total</u>
OPERATIONS:					
Net investment income (loss)	\$ (2,398,731)	\$ (188,972)	\$ (96,953)	\$ 655	\$ (2,684,001)
Net realized gain from investments and foreign currency transactions	78,045,767	3,043,214	1,931,038	1,540,949	84,560,968
Net increase (decrease) in unrealized appreciation on investments during the year	17,709,776	(505,767)	(750,800)	(807,877)	15,645,332
Net increase in net assets resulting from operations	93,356,812	2,348,475	1,083,285	733,727	97,522,299
DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS FROM:					
Net investment income:					
Class A	-	-	-	(13,498)	(13,498)
CAPITAL SHARE TRANSACTIONS (NOTE 5):					
Class A	(333,240,473)	(136,536)	(8,634,531)	(7,258,548)	(349,270,088)
Class B	(655,405)	(22,735)	(398,475)	(251,472)	(1,328,087)
Total increase (decrease) in net assets	(240,539,066)	2,189,204	(7,949,721)	(6,789,791)	(253,089,374)
NET ASSETS:					
Beginning of year	667,093,259	12,866,814	7,949,721	6,789,791	694,699,585
End of year	\$ 426,554,193	\$ 15,056,018	\$ -	\$ -	\$ 441,610,211

See Notes to Financial Statements

NOTE 1 – GENERAL

Davis Funds SICAV (“SICAV”) is an investment company organized under the laws of the Grand-Duchy of Luxembourg, qualifying as a Société d’Investissement à Capital Variable (“SICAV”). The SICAV is governed by Part I of the Luxembourg law of 17 December 2010. The SICAV is registered under number B 49.537 at the Register of Commerce at the District Court of Luxembourg, where its Articles of Incorporation are available for inspection (as well as at the SICAV’s registered office at 49, Avenue J.F. Kennedy, 1855 Kirchberg, Luxembourg).

The SICAV was incorporated in Luxembourg on 19 December 1994 for an unlimited period. The initial capital was 45,000 USD, represented by 4,500 shares. At the time of incorporation, Davis Selected Advisers, L.P. (“Davis Advisors”) purchased 4,499 shares. The SICAV issues different classes of shares. The subscription proceeds of each class are invested in a specific pool of assets (“Fund”), which is invested in accordance with the specific investment policy applicable to such Fund. Prior to 2 May 2011, the SICAV had four such Funds, Davis Value Fund and Davis Opportunities Fund, which commenced operations on 10 April 1995, and Davis Financial Fund and Davis Real Estate Fund, which commenced operations on 15 September 1997. On 2 May 2011 Davis Financial Fund and Davis Real Estate Fund merged into Davis Value Fund. On 2 May 2011 Davis Opportunities Fund changed its name to Davis Global Fund and its new investment strategy is to invest, without limit, in equity securities selected on a worldwide basis (including countries with developed or emerging markets) and without reference to any particular market capitalization range. On 5 September 2000 each Fund commenced the offering of shares in two classes, Class A and Class B. Class A shares are sold with a front-end sales charge and Class B shares are sold at net asset value and may be subject to a contingent deferred sales charge upon redemption. On 1 June 2012 each Fund commenced the offering of Class I shares, which are sold at net asset value and are not subject to a contingent deferred sales charge. Class I shares are only available to certain qualified investors. Income, expenses (other than those attributable to a specific class), and gains and losses are allocated daily to each class of shares based upon the relative proportion of net assets represented by each class. Operating expenses directly attributable to a specific class are charged against the operations of that class.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in accordance with generally accepted accounting principles in the Grand-Duchy of Luxembourg. The following is a summary of significant accounting policies followed by the SICAV in the preparation of its financial statements.

Security Valuation – The value of securities, which are quoted or dealt in on any stock exchange, is based on the last closing price known/last available price. Securities traded in the over-the-counter market (e.g. NASDAQ) are stated at the average of closing bid and ask prices. Securities which are not quoted and do not trade on any stock exchange, but for which an active trading market exists, are valued in a similar manner to that provided for securities which are quoted or dealt in on any stock exchange. Securities, which are not quoted or dealt in on a regulated market, as well as quoted and non-quoted securities on such other markets, for which no current market prices are available, or for which current market prices are not representative of the fair market value, are valued at fair value as determined prudently and in good faith by, or at the direction of, the Board of Directors of the Fund. Investments in short-term securities (maturing in sixty days or less) are valued at amortized cost, which approximates market value.

Securities Transactions and Related Investment Income – Security transactions are accounted for on the trade date (date the order to buy or sell is executed) with gain or loss on the sale of securities being determined based upon average cost. Dividend income is recorded on the ex-dividend date and interest income is recorded on an accrual basis. Dividend income may be subject to withholding taxes in the distributing country. These taxes may not be recoverable. The amount of taxes withheld during the year ended 31 July 2012 amounted to \$1,633,047 and \$44,762 for Davis Value Fund and Davis Global Fund, respectively.

Dividends and Distributions to Shareholders – Dividends and distributions to shareholders are recorded on the ex-dividend date. Dividends are declared by the Funds on its outstanding Class A, Class B, and Class I 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.

Repurchase Agreements – The Funds may transfer uninvested cash balances into repurchase agreement accounts secured by U.S. Government securities. A custodian bank holds securities pledged as collateral for repurchase agreements until the agreements mature. Each agreement requires that the market value of the collateral be sufficient to cover payments of interest and principal; however, in the event of default by the other party to the agreement, retention of the collateral may be subject to legal proceedings.

Transaction Fees – Transaction fees associated with the acquisition and/or disposal of investments are expensed to the Statements of Operations.

NOTE 3 – PURCHASES AND SALES OF SECURITIES

The cost of purchases and proceeds from sales of investment securities (including transaction fees and excluding short-term securities) during the year ended 31 July 2012 were as follows:

	<u>Purchases</u>	<u>Sales</u>
Davis Value Fund	\$ 40,618,221	\$ 155,890,181
Davis Global Fund	4,899,891	5,561,436

NOTE 4 – INVESTMENT ADVISORY FEES AND OTHER TRANSACTIONS WITH AFFILIATES

Advisory fees are paid monthly to Davis Advisors, the Funds' investment adviser ("Investment Adviser"), at the annual rate of 1.50% of the average daily net assets of Class A and Class B shares and 0.55% of the average daily net assets of Class I shares of Davis Value Fund and Davis Global Fund. The Investment Adviser also charges a trail commission, payable monthly, of 1.00% per annum on the average daily net assets of Class B shares of each Fund. Out of such commission, the Investment Adviser may make payments to dealers who act in the distribution of shares on the basis of the value of the shares owned by such dealers' clients during any given period. The Investment Adviser has agreed to reimburse each Fund's expenses to the extent necessary to cap the total annual operating expenses (Class A shares, 2.50%; Class B shares, 3.50%; Class I shares, 1.10% for each Fund). During the year ended 31 July 2012, such reimbursements amounted to \$10,756 for Davis Global Fund.

Certain directors of the SICAV are also officers of the Investment Adviser.

NOTE 5 – CAPITAL STOCK

Transactions in capital stock were as follows:

Class A	<u>Year ended 31 July 2012</u>			
	<u>Davis Value Fund</u>	<u>Davis Global Fund</u>		
Shares subscribed	379,119	32,038		
Shares reacquired	(4,171,477)	(75,413)		
Net decrease	<u>(3,792,358)</u>	<u>(43,375)</u>		
Proceeds from shares subscribed	\$ 10,073,937	\$ 637,642		
Cost of shares reacquired	(110,826,658)	(1,572,922)		
Net decrease	<u>\$ (100,752,721)</u>	<u>\$ (935,280)</u>		
	<u>Year ended 31 July 2011</u>	<u>Period from 1 August 2010 through 2 May 2011 (merger of Funds)</u>		
	<u>Davis Value Fund</u>	<u>Davis Global Fund</u>	<u>Davis Financial Fund</u>	<u>Davis Real Estate Fund</u>
Shares subscribed	1,373,068	25,672	40,564	17,888
Shares issued in reinvestment of distributions	–	–	–	758
	<u>1,373,068</u>	<u>25,672</u>	<u>40,564</u>	<u>18,646</u>
Shares reacquired	(13,443,622)	(33,012)	(580,084)	(509,519)
Net decrease	<u>(12,070,554)</u>	<u>(7,340)</u>	<u>(539,520)</u>	<u>(490,873)</u>
Proceeds from shares subscribed	\$ 37,615,166	\$ 608,311	\$ 625,067	\$ 248,752
Proceeds from shares issued in reinvestment of distributions	–	–	–	11,059
	<u>37,615,166</u>	<u>608,311</u>	<u>625,067</u>	<u>259,811</u>
Cost of shares reacquired	(370,855,639)	(744,847)	(9,259,598)	(7,518,359)
Net decrease	<u>\$ (333,240,473)</u>	<u>\$ (136,536)</u>	<u>\$ (8,634,531)</u>	<u>\$ (7,258,548)</u>

NOTE 5 – CAPITAL STOCK – (CONTINUED)**Class B**

	Year ended 31 July 2012	
	Davis Value Fund	Davis Global Fund
Shares subscribed	1,160	4,796
Shares reacquired	(77,311)	(433)
Net increase (decrease)	(76,151)	4,363
Proceeds from shares subscribed	\$ 27,421	\$ 85,484
Cost of shares reacquired	(1,795,229)	(7,828)
Net increase (decrease)	\$ (1,767,808)	\$ 77,656

Class B

	Year ended 31 July 2011		Period from 1 August 2010 through 2 May 2011 (merger of Funds)	
	Davis Value Fund	Davis Global Fund	Davis Financial Fund	Davis Real Estate Fund
Shares subscribed	31,222	424	13,774	24
Shares reacquired	(61,446)	(1,454)	(41,150)	(17,160)
Net decrease	(30,224)	(1,030)	(27,376)	(17,136)
Proceeds from shares subscribed	\$ 820,804	\$ 8,606	\$ 196,000	\$ 324
Cost of shares reacquired	(1,476,209)	(31,341)	(594,475)	(251,796)
Net decrease	\$ (655,405)	\$ (22,735)	\$ (398,475)	\$ (251,472)

Class I

	Period from 1 June 2012 (Inception of Class) through 31 July 2012	
	Davis Value Fund	Davis Global Fund
Shares subscribed	19,084	25,920
Net increase	19,084	25,920
Proceeds from shares subscribed	\$ 500,000	\$ 500,000
Net increase	\$ 500,000	\$ 500,000

NOTE 6 – TAXATION

It is the SICAV'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 calculated based on the net asset value at the end of each calendar quarter of 0.05% per annum for Class A and Class B shares and 0.01% per annum for Class I shares, which is payable quarterly at the end of the relevant quarter.

NOTE 7 – CHANGES IN THE INVESTMENT PORTFOLIO

A schedule of changes in the investment portfolio for the year may be requested from the registered office of the Funds.

NOTE 8 – RESTRICTED SECURITIES

Restricted securities may have contractual restrictions on resale. They are valued under methods approved by the Board of Directors of the Fund as reflecting fair value. The aggregate value of restricted securities in Davis Value Fund amounted to \$1,239,743 or 0.39% of the Fund's net assets as of 31 July 2012.

Information regarding restricted securities is as follows:

Fund	Security	Acquisition Date	Shares	Cost per Share	Valuation per Share as of 31 July 2012
Davis Value Fund	Fairfax Financial Holdings Ltd., 144A	23/02/10	3,290	\$ 355.00	\$ 376.82

To the Shareholders of
DAVIS FUNDS SICAV

Following our appointment by the annual general meeting of the Shareholders of the SICAV dated 24 November 2011, we have audited the accompanying financial statements of Davis Funds SICAV and of each of its sub-funds, which comprise the statement of net assets and the schedule of investments and other net assets as at 31 July 2012, and the statement of operations and the statement of changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility of the Board of Directors of the SICAV for the financial statements

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the réviseur d'entreprises agréé

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the *réviseur d'entreprises agréé's* judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Davis Funds SICAV as of 31 July 2012, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

Other matter

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

For Deloitte Audit
Société à responsabilité limitée
Cabinet de révision agréé


Johnny Yip, *Réviseur d'entreprises agréé*
Partner

28 September 2012
560, rue de Neudorf
L-2220 Luxembourg

Publication of the Bases of Taxation according to § 5 InvStG (German Investment Tax Act) for the Fiscal Year ending on 31 July 2012 (Unaudited)

(all information given per 1 share and in US-Dollars)	Davis Value Fund								
	Class A			Class B			Class I		
	Private investors	Corporate entities	Other business investors	Private investors	Corporate entities	Other business investors	Private investors	Corporate entities	Other business investors
§ 5 Sect. 1 InvStG									
No. 2 Amount equal to earnings that would be distributed	0,0616	0,0616	0,0616	0,0000	0,0000	0,0000	0,0369	0,0369	0,0369
No. 1i Herein 10% non-deductible expenses	0,0472	0,0472	0,0472	0,0000	0,0000	0,0000	0,0033	0,0033	0,0033
No. 1c, aa Earnings for the purposes set forth in § 3 No. 40 EStG (German Income Tax Act) or in § 8b Sect. 1 KStG (German Corporation Tax Act) – Dividends	-	0,0616	0,0616	-	0,0000	0,0000	-	0,0369	0,0369
No. 1c, cc Earnings for the purposes set forth in § 2 Sect. 2a InvStG (German Investment Tax Act) – Zinsschranke	-	0,0000	0,0000	-	0,0000	0,0000	-	0,0000	0,0000
No. 1c, ii Earnings for the purposes set forth in § 4 Sect. 2 InvStG (German Investment Tax Act) for which no deduction has been made pursuant to sect. 4	0,0543	0,0543	0,0543	0,0000	0,0000	0,0000	0,0325	0,0325	0,0325
No. 1d Portion entitling to a credit or refund of withholding taxes on income from capital for the purposes set forth in § 7 Sect. 1 to 3 InvStG	0,0616	0,0616	0,0616	0,0000	0,0000	0,0000	0,0369	0,0369	0,0369
No. 1d, aa Portion entitling to a credit or refund of withholding taxes on income from capital for the purposes set forth in § 7 Sect. 1 and 2 InvStG	0,0616	0,0616	0,0616	0,0000	0,0000	0,0000	0,0369	0,0369	0,0369
No. 1d, bb Portion entitling to a credit or refund of withholding taxes on income from capital for the purposes set forth in § 7 Sect. 3 InvStG	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
No. 1d, cc Portion entitling to a credit or refund of withholding taxes on income from capital for the purposes set forth in § 7 Sect. 1 Sentence 5 InvStG as far as included in No. 1d, aa	0,0616	0,0616	0,0616	0,0000	0,0000	0,0000	0,0369	0,0369	0,0369
No. 1f, aa Creditable foreign withholding tax	0,0136	0,0640	0,0640	0,0000	0,0564	0,0564	0,0081	0,0083	0,0083
No. 1f, bb Creditable foreign withholding tax on Dividends	-	0,0640	0,0640	-	0,0564	0,0564	-	0,0083	0,0083
No. 1g Amount deducted for depreciation or depletion for the purposes set forth in § 3 Sect. 3 Clause 1 InvStG	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
No. 1h Paid foreign withholding tax reduced by refunded withholding tax	0,1204	0,1204	0,1204	0,1063	0,1063	0,1063	0,0157	0,0157	0,0157

Mandatory publications according to § 5 Sect. 1 No. 3 InvStG will be made in the electronic German Federal Gazette as required by law.

Notes with respect to the income tax treatment of earnings from shares in Davis Funds SICAV for investors resident in Germany with shares as private holdings:

For investors with unlimited tax liabilities in Germany who own shares as part of their private holdings, ordinary income generated by Davis Funds SICAV is subject to income tax. The tax is payable in the year of distribution. If earnings are not distributed but retained, they must be recorded for tax purposes in the year in which the fiscal year of the Fund ends (amounts equal to earnings that would be distributed). Even after the implementation of the German flat tax (as from January 1, 2009) investors are obliged to file tax returns, if no flat tax has been deducted (e.g. retaining funds). The individual income subject to taxation is calculated by multiplying the taxable income per share as stated for the respective fund by the number of shares held on the day of distribution or retention (accrual day). For investors with unlimited tax liabilities, the interim profits realized in the calendar year 2011/12 through the sale or return of fund shares are subject to income tax. Taxable income from distributions as well as earnings equal to amounts that would be distributed must be entered in attachment KAP and in attachment AUS.

Publication of the Bases of Taxation according to § 5 InvStG (German Investment Tax Act) for the Fiscal Year ending on 31 July 2012 (Unaudited)

(all information given per 1 share and in US-Dollars)	Davis Global Fund								
	Class A			Class B			Class I		
	Private investors	Corporate entities	Other business investors	Private investors	Corporate entities	Other business investors	Private investors	Corporate entities	Other business investors
§ 5 Sect. 1 InvStG									
No. 2 Amount equal to earnings that would be distributed	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
No. 1i Herein 10% non-deductible expenses	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
No. 1c, aa Earnings for the purposes set forth in § 3 No. 40 EStG (German Income Tax Act) or in § 8b Sect. 1 KStG (German Corporation Tax Act) – Dividends	-	0,0000	0,0000	-	0,0000	0,0000	-	0,0000	0,0000
No. 1c, cc Earnings for the purposes set forth in § 2 Sect. 2a InvStG (German Investment Tax Act) – Zinsschranke	-	0,0000	0,0000	-	0,0000	0,0000	-	0,0000	0,0000
No. 1c, ii Earnings for the purposes set forth in § 4 Sect. 2 InvStG (German Investment Tax Act) for which no deduction has been made pursuant to sect. 4	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
No. 1d Portion entitling to a credit or refund of withholding taxes on income from capital for the purposes set forth in § 7 Sect. 1 to 3 InvStG	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
No. 1d, aa Portion entitling to a credit or refund of withholding taxes on income from capital for the purposes set forth in § 7 Sect. 1 and 2 InvStG	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
No. 1d, bb Portion entitling to a credit or refund of withholding taxes on income from capital for the purposes set forth in § 7 Sect. 3 InvStG	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
No. 1d, cc Portion entitling to a credit or refund of withholding taxes on income from capital for the purposes set forth in § 7 Sect. 1 Sentence 5 InvStG as far as included in No. 1d, aa	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
No. 1f, aa Creditable foreign withholding tax	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
No. 1f, bb Creditable foreign withholding tax on Dividends	-	0,0000	0,0000	-	0,0000	0,0000	-	0,0000	0,0000
No. 1g Amount deducted for depreciation or depletion for the purposes set forth in § 3 Sect. 3 Clause 1 InvStG	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
No. 1h Paid foreign withholding tax reduced by refunded withholding tax	0,0713	0,0713	0,0713	0,0634	0,0634	0,0634	0,0044	0,0044	0,0044

Mandatory publications according to § 5 Sect. 1 No. 3 InvStG will be made in the electronic German Federal Gazette as required by law.

Notes with respect to the income tax treatment of earnings from shares in Davis Funds SICAV for investors resident in Germany with shares as private holdings:

For investors with unlimited tax liabilities in Germany who own shares as part of their private holdings, ordinary income generated by Davis Funds SICAV is subject to income tax. The tax is payable in the year of distribution. If earnings are not distributed but retained, they must be recorded for tax purposes in the year in which the fiscal year of the Fund ends (amounts equal to earnings that would be distributed). Even after the implementation of the German flat tax (as from January 1, 2009) investors are obliged to file tax returns, if no flat tax has been deducted (e.g. retaining funds). The individual income subject to taxation is calculated by multiplying the taxable income per share as stated for the respective fund by the number of shares held on the day of distribution or retention (accrual day). For investors with unlimited tax liabilities, the interim profits realized in the calendar year 2011/12 through the sale or return of fund shares are subject to income tax. Taxable income from distributions as well as earnings equal to amounts that would be distributed must be entered in attachment KAP and in attachment AUS.

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Roger Becker
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