Dreyfus Strategic Value Fund

SEMIANNUAL REPORT
February 28, 2018

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THE FUND

FOR MORE INFORMATION

A LETTER FROM THE PRESIDENT OF DREYFUS

Dear Shareholder:

We are pleased to present this semiannual report for Dreyfus Strategic Value Fund, covering the six-month period from September 1, 2017 through February 28, 2018. For information about how the fund performed during the reporting period, as well as general market perspectives, we provide a Discussion of Fund Performance on the pages that follow.

Stocks set a series of new record highs while bonds generally lost a degree of value over the reporting period. Riskier sectors of the financial markets responded positively to growing corporate earnings, improving global economic conditions and the enactment of tax reform legislation. While the rally was relatively broad-based, growth stocks produced substantially higher returns than value-oriented stocks. International stocks also performed well amid more positive economic data from Europe, Japan, and the emerging markets. In the bond market, U.S. government securities and municipal bonds declined when short-term interest rates and inflation expectations increased, while lower-rated corporate-backed securities fared somewhat better in anticipation of improved business conditions.

The markets' performance was supported by solid underlying fundamentals, including sustained economic growth, a robust labor market and strong consumer and business confidence. We currently expect these favorable conditions to persist, but we remain watchful for economic and political developments that could negatively affect the markets. Indeed, in February 2018, we witnessed a return of heightened volatility to the financial markets. As always, we encourage you to discuss the risks and opportunities of today's investment environment with your financial advisor.

Thank you for your continued confidence and support.

Sincerely,

R. LaRoche-Morris

Renee Laroche-Morris
President
The Dreyfus Corporation
March 15, 2018

DISCUSSION OF FUND PERFORMANCE (Unaudited)

For the period from September 1, 2017 through February 28, 2018, as provided by Brian C. Ferguson, John C. Bailer, and David S. Intoppa, Portfolio Managers

Market and Fund Performance Overview

For the six-month period ended February 28, 2018, Dreyfus Strategic Value Fund's Class A shares produced a total return of 11.15%, Class C shares returned 10.75%, Class I shares returned 11.29%, and Class Y shares returned 11.33%.[1] The fund's benchmark, the Russell 1000® Value Index (the "Index"), produced a total return of 7.26% for the same period.[2]

U.S. equities markets rose during the reporting period amid better-than-expected corporate earnings and improving economic prospects. The fund outperformed its benchmark, primarily on the strength of favorable sector allocations and successful security selections in the industrials, financials, energy, and information technology sectors.

The Fund's Investment Approach

The fund seeks capital appreciation. To pursue its goal, the fund normally invests at least 80% of its net assets, plus any borrowings for investment purposes, in stocks. The fund may invest up to 30% of its assets in foreign securities. We identify potential investments through extensive quantitative and fundamental research. We focus on individual stock selection (a "bottom-up" approach), emphasizing three key factors: value, sound business fundamentals, and positive business momentum.

Positive Economic Trends and Strong Corporate Earnings

The long-running U.S. economic expansion that began in mid-2009 continued throughout the reporting period, maintaining a favorable backdrop for equity markets. September 2017 saw an upward revision to second-quarter GDP growth despite hurricane-related economic disruptions. Positive economic news continued to accumulate during the rest of 2017, as corporate earnings exceeded expectations, economic growth remained near 3%, and the Federal Reserve Board (the "Fed") raised growth forecasts for 2018. Passage of tax-reform legislation in December caused markets to rally sharply, and the Index reached new all-time highs. Some of the more economically sensitive market segments, such as the information technology and financials sectors, led the market's advance, while traditionally defensive, higher-yielding industry groups, such as the real estate and utilities sectors, trailed broad market averages.

January 2018 saw a continuation of positive market and economic trends. Economic data indicated robust levels of consumer spending during the critical year-end shopping season, and long-awaited signs of wage growth began to appear. However, concerns about rising inflationary pressures and prospects for more aggressive interest-rate hikes by the Fed began to weigh on market sentiment. In response to these concerns, markets dipped sharply in early February before recovering much of the lost ground over the final weeks of the reporting period.

For the reporting period overall, large-cap stocks fared better than their mid- and small-cap counterparts, but value stocks significantly underperformed growth-oriented stocks.

Sector Allocations and Stock Selections Drove Performance

The fund's performance compared to the Index benefited from significantly underweighted exposure to the traditionally defensive utilities, real estate, and consumer staples sectors. Instead, we invested a relatively large percentage of the fund's assets in industry groups positioned to thrive in the constructive economic environment. Among industrial stocks, the fund held overweighted exposure to aerospace-and-defense contractors, such as Raytheon, Harris, and Northrop Grumman, and we favored industrial conglomerate Honeywell International over beleaguered General Electric. In the financials sector, the fund held several top-performing banks, including JPMorgan Chase & Co., Bank of America, PNC Financial Services Group, and BB&T, as well as diversified services providers, such as Voya Financial. In the energy sector, the fund added value by investing in high-quality exploration-and-production companies positioned to benefit from rising oil prices, such as EOG Resources, Anadarko Petroleum, Hess, and Occidental Petroleum, as well as refiners, such as Phillips 66. Other top performers included networking giant Cisco Systems and semiconductor makers Texas Instruments in the information technology sector, and agricultural chemical manufacturer CF Industries Holdings in the materials sector.

The fund underperformed its benchmark in only two sectors. Overweighted exposure to the telecommunication services sector took a slight toll on relative results, as did a position in *AT&T*, which slightly lagged sector averages. In the consumer discretionary sector, underweighted exposure to multi-line retail and specialty retail companies also weighed on performance to a degree. A few individual holdings in other sectors further detracted from returns, including diversified financial institution Wells Fargo & Co., media company Comcast, and beverage distributor Coca-Cola European Partners.

Positive Trends Remain in Place

We believe the prevailing environment of domestic and global economic expansion, a reduced U.S. corporate tax burden, and strong corporate earnings and revenue growth provides a supportive backdrop for the stock market and for the fund's investment approach. As of the end of the reporting period, we have continued to find the most attractive investment opportunities among companies positioned for economic growth in areas such as the financials, materials, industrials, energy, and information technology sectors. In contrast, we have found relatively few investments in traditionally defensive and interest rate-sensitive areas, such as the real estate, utilities, health care, and consumer staples sectors.

March 15, 2018

[1] *Total return includes reinvestment of dividends and any capital gains paid and does not take into consideration the maximum initial sales charge in the case of Class A shares, or the applicable contingent deferred sales charges imposed on redemptions in the case of Class C shares. Had these charges been reflected, returns would have been lower. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost. The fund's returns reflect the absorption of certain fund expenses by The Dreyfus Corporation pursuant to an agreement in effect through December 31, 2018, at which time it may be extended, terminated, or modified. Had these expenses not been absorbed, the fund's returns would have been lower.*

[2] *Source: Lipper Inc. — The Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies that are considered more value-oriented relative to the overall market as defined by Russell's leading style methodology. The Russell 1000® Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. Investors cannot invest directly in any index.*

Please note: the position in any security highlighted with italicized typeface was sold during the reporting period.

Equities are subject generally to market, market sector, market liquidity, issuer, and investment style risks, among other factors, to varying degrees, all of which are more fully described in the fund's prospectus.

The fund's performance will be influenced by political, social, and economic factors affecting investments in foreign companies. Special risks associated with investments in foreign companies include exposure to currency fluctuations, less liquidity, less developed or less efficient trading markets, lack of comprehensive company information, political instability, and differing auditing and legal standards. These risks are enhanced in emerging market countries. Please read the prospectus for further discussion of these risks.

UNDERSTANDING YOUR FUND'S EXPENSES (Unaudited)

As a mutual fund investor, you pay ongoing expenses, such as management fees and other expenses. Using the information below, you can estimate how these expenses affect your investment and compare them with the expenses of other funds. You also may pay one-time transaction expenses, including sales charges (loads) and redemption fees, which are not shown in this section and would have resulted in higher total expenses. For more information, see your fund's prospectus or talk to your financial adviser.

Review your fund's expenses

The table below shows the expenses you would have paid on a $1,000 investment in Dreyfus Strategic Value Fund from September 1, 2017 to February 28, 2018. It also shows how much a $1,000 investment would be worth at the close of the period, assuming actual returns and expenses.

Expenses and Value of a $1,000 Investment
assuming actual returns for the six months ended February 28, 2018

	Class A	Class C	Class I	Class Y
Expenses paid per $1,000†	$ 4.87	$ 8.78	$ 3.56	$ 3.35
Ending value (after expenses)	$ 1,111.50	$ 1,107.50	$ 1,112.90	$ 1,113.30

COMPARING YOUR FUND'S EXPENSES WITH THOSE OF OTHER FUNDS (Unaudited)

Using the SEC's method to compare expenses

The Securities and Exchange Commission ("SEC") has established guidelines to help investors assess fund expenses. Per these guidelines, the table below shows your fund's expenses based on a $1,000 investment, assuming a hypothetical 5% annualized return. You can use this information to compare the ongoing expenses (but not transaction expenses or total cost) of investing in the fund with those of other funds. All mutual fund shareholder reports will provide this information to help you make this comparison. Please note that you cannot use this information to estimate your actual ending account balance and expenses paid during the period.

Expenses and Value of a $1,000 Investment
assuming a hypothetical 5% annualized return for the six months ended February 28, 2018

	Class A	Class C	Class I	Class Y
Expenses paid per $1,000†	$ 4.66	$ 8.40	$ 3.41	$ 3.21
Ending value (after expenses)	$ 1,020.18	$ 1,016.46	$ 1,021.42	$ 1,021.62

† *Expenses are equal to the fund's annualized expense ratio of .93% for Class A, 1.68% for Class C, .68% for Class I and .64% for Class Y, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).*

STATEMENT OF INVESTMENTS
February 28, 2018 (Unaudited)

Description	Shares	Value ($)
Common Stocks - 99.7%		
Automobiles & Components - .5%		
Goodyear Tire & Rubber	321,577	**9,306,438**
Banks - 17.9%		
Bank of America	2,692,886	86,441,641
BB&T	598,100	32,506,735
Citigroup	394,822	29,805,113
JPMorgan Chase & Co.	798,481	92,224,555
PNC Financial Services Group	204,946	32,311,786
SunTrust Banks	356,126	24,871,840
Wells Fargo & Co.	653,015	38,142,606
		336,304,276
Capital Goods - 9.9%		
Harris	103,736	16,198,376
Honeywell International	163,621	24,724,769
L3 Technologies	129,367	26,850,121
Middleby	79,399 [a,b]	9,547,730
Northrop Grumman	47,842	16,746,614
Quanta Services	418,412 [b]	14,410,109
Raytheon	203,760	44,319,838
United Technologies	244,349	32,923,584
		185,721,141
Diversified Financials - 9.8%		
Berkshire Hathaway, Cl. B	444,333 [b]	92,065,798
Capital One Financial	99,726	9,766,167
LPL Financial Holdings	222,986	14,331,310
Morgan Stanley	596,322	33,405,958
Synchrony Financial	258,261	9,398,118
Voya Financial	502,739 [a]	25,649,744
		184,617,095
Energy - 13.1%		
Anadarko Petroleum	239,165	13,641,972
EOG Resources	220,754	22,388,871
Exxon Mobil	734,059	55,597,629
Hess	348,278 [a]	15,818,787
Occidental Petroleum	693,819	45,514,526
Phillips 66	382,772	34,591,106
Pioneer Natural Resources	105,314	17,927,602
Schlumberger	281,274	18,462,825
Valero Energy	254,343	22,997,694
		246,941,012
Exchange-Traded Funds - .2%		
iShares Russell 1000 Value ETF	31,712	**3,894,234**

Description	Shares	Value ($)
Common Stocks - 99.7% (continued)		
Food, Beverage & Tobacco - 5.4%		
Coca-Cola	203,643	8,801,450
Coca-Cola European Partners	328,480	12,488,810
Conagra Brands	786,267	28,407,827
Kellogg	353,785 [a]	23,420,567
Kraft Heinz	278,506	18,673,827
Mondelez International, Cl. A	209,001	9,175,144
		100,967,625
Health Care Equipment & Services - 5.1%		
Abbott Laboratories	487,088	29,386,019
DaVita	122,883 [b]	8,850,034
Humana	104,220	28,329,080
McKesson	74,989	11,190,608
UnitedHealth Group	80,533	18,213,343
		95,969,084
Insurance - 4.6%		
Allstate	99,823	9,209,670
American International Group	468,416	26,858,973
Hartford Financial Services Group	352,780	18,644,423
Lincoln National	119,689	9,116,711
Prudential Financial	214,464	22,801,812
		86,631,589
Materials - 7.5%		
CF Industries Holdings	736,283	30,364,311
DowDuPont	490,916	34,511,395
Freeport-McMoRan	808,106 [b]	15,030,772
Martin Marietta Materials	65,654 [a]	13,388,820
Mosaic	463,744	12,205,742
Newmont Mining	486,448	18,582,314
Vulcan Materials	146,078	17,197,763
		141,281,117
Media - 4.3%		
Comcast, Cl. A	521,977	18,900,787
Omnicom Group	277,712 [a]	21,169,986
Time Warner	249,325	23,177,252
Twenty-First Century Fox, Cl. A	511,333	18,827,281
		82,075,306
Pharmaceuticals, Biotechnology & Life Sciences - 4.8%		
Biogen	32,561 [b]	9,409,803
Bristol-Myers Squibb	206,772	13,688,306
Gilead Sciences	120,193	9,462,795
Mylan	319,258 [b]	12,872,483
Pfizer	1,249,589	45,372,577
		90,805,964

Description	Shares	Value ($)
Common Stocks - 99.7% (continued)		
Retailing - .6%		
Advance Auto Parts	94,367	**10,781,430**
Semiconductors & Semiconductor Equipment - 1.8%		
Microchip Technology	108,362	9,636,633
Texas Instruments	229,428	24,858,524
		34,495,157
Software & Services - 4.5%		
Alphabet, Cl. A	8,379 [b]	9,249,746
Fortinet	209,845 [b]	10,590,877
International Business Machines	151,647	23,631,152
Oracle	589,873	29,888,865
Teradata	327,167 [a,b]	12,046,289
		85,406,929
Technology Hardware & Equipment - 4.9%		
Apple	108,919	19,400,652
Cisco Systems	1,615,695	72,350,822
		91,751,474
Telecommunication Services - 2.2%		
Verizon Communications	879,945	**42,008,574**
Transportation - 1.4%		
Delta Air Lines	482,581	**26,011,116**
Utilities - 1.2%		
FirstEnergy	705,919 [a]	**22,822,361**
Total Common Stocks (cost $1,528,769,167)		**1,877,791,922**
Investment of Cash Collateral for Securities Loaned - .7%		
Registered Investment Company;		
Dreyfus Institutional Preferred Government Money Market Fund, Institutional Shares (cost $12,665,478)	12,665,478 [c]	**12,665,478**
Total Investments (cost $1,541,434,645)	**100.4%**	**1,890,457,400**
Liabilities, Less Cash and Receivables	**(.4%)**	**(7,395,527)**
Net Assets	**100.0%**	**1,883,061,873**

ETF—Exchange-Traded Fund

[a] *Security, or portion thereof, on loan. At February 28, 2018, the value of the fund's securities on loan was $42,020,181 and the value of the collateral held by the fund was $43,622,316, consisting of cash collateral of $12,665,478 and U.S. Government & Agency securities valued at $30,956,838.*

[b] *Non-income producing security.*

[c] *Investment in affiliated money market mutual fund.*

Portfolio Summary (Unaudited) †	Value (%)
Banks	17.9
Energy	13.1
Capital Goods	9.9
Diversified Financials	9.8
Materials	7.5
Food, Beverage & Tobacco	5.4
Health Care Equipment & Services	5.1
Technology Hardware & Equipment	4.9
Pharmaceuticals, Biotechnology & Life Sciences	4.8
Insurance	4.6
Software & Services	4.5
Media	4.3
Telecommunication Services	2.2
Semiconductors & Semiconductor Equipment	1.8
Transportation	1.4
Utilities	1.2
Money Market Investment	.7
Retailing	.6
Automobiles & Components	.5
Exchange-Traded Funds	.2
	100.4

† *Based on net assets.*

See notes to financial statements.

STATEMENT OF INVESTMENTS IN AFFILIATED ISSUERS
(Unaudited)

Registered Investment Companies	Value 8/31/17 ($)	Purchases ($)	Sales ($)	Value 2/28/18 ($)	Net Assets (%)	Dividends/ Distributions ($)
Dreyfus Institutional Preferred Government Plus Money Market Fund	4,789,111	156,233,466	161,022,577	-	-	18,001
Dreyfus Institutional Preferred Government Money Market Fund, Institutional Shares	-	68,414,979	55,749,501	12,665,478	.7	-
Total	**4,789,111**	**224,648,445**	**216,772,078**	**12,665,478**	**.7**	**18,001**

See notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES

February 28, 2018 (Unaudited)

	Cost	Value
Assets ($):		
Investments in securities—See Statement of Investments		
(including securities on loan, valued at $42,020,181)—Note 1(b):		
Unaffiliated issuers	1,528,769,167	1,877,791,922
Affiliated issuers	12,665,478	12,665,478
Receivable for investment securities sold		29,999,386
Dividends and securities lending income receivable		3,996,919
Receivable for shares of Common Stock subscribed		352,111
Prepaid expenses		61,130
		1,924,866,946
Liabilities ($):		
Due to The Dreyfus Corporation and affiliates—Note 3(c)		1,100,936
Cash overdraft due to Custodian		656,288
Payable for investment securities purchased		25,557,936
Liability for securities on loan—Note 1(b)		12,665,478
Payable for shares of Common Stock redeemed		1,518,994
Interest payable—Note 2		385
Accrued expenses		305,056
		41,805,073
Net Assets ($)		**1,883,061,873**
Composition of Net Assets ($):		
Paid-in capital		1,456,830,329
Accumulated undistributed investment income—net		5,459,471
Accumulated net realized gain (loss) on investments		71,749,318
Accumulated net unrealized appreciation (depreciation) on investments		349,022,755
Net Assets ($)		**1,883,061,873**

Net Asset Value Per Share	Class A	Class C	Class I	Class Y
Net Assets ($)	856,227,561	32,826,467	817,377,542	176,630,303
Shares Outstanding	21,307,400	876,379	20,295,660	4,384,834
Net Asset Value Per Share ($)	**40.18**	**37.46**	**40.27**	**40.28**

See notes to financial statements.

STATEMENT OF OPERATIONS
Six Months Ended February 28, 2018 (Unaudited)

Investment Income ($):	
Income:	
Cash dividends:	
Unaffiliated issuers	19,490,959
Affiliated issuers	18,001
Income from securities lending—Note 1(b)	5,982
Total Income	**19,514,942**
Expenses:	
Management fee—Note 3(a)	5,598,176
Shareholder servicing costs—Note 3(c)	1,813,135
Distribution fees—Note 3(b)	146,823
Directors' fees and expenses—Note 3(d)	70,325
Registration fees	55,780
Custodian fees—Note 3(c)	50,757
Professional fees	44,293
Prospectus and shareholders' reports	37,613
Loan commitment fees—Note 2	22,798
Interest expense—Note 2	3,130
Miscellaneous	16,885
Total Expenses	**7,859,715**
Less—reduction in expenses due to undertaking—Note 3(a)	(260,879)
Less—reduction in fees due to earnings credits—Note 3(c)	(9,499)
Net Expenses	**7,589,337**
Investment Income—Net	**11,925,605**
Realized and Unrealized Gain (Loss) on Investments—Note 4 ($):	
Net realized gain (loss) on investments	98,416,359
Net unrealized appreciation (depreciation) on investments	88,049,427
Net Realized and Unrealized Gain (Loss) on Investments	**186,465,786**
Net Increase in Net Assets Resulting from Operations	**198,391,391**

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Six Months Ended February 28, 2018 (Unaudited)	Year Ended August 31, 2017
Operations ($):		
Investment income—net	11,925,605	18,938,438
Net realized gain (loss) on investments	98,416,359	183,264,325
Net unrealized appreciation (depreciation) on investments	88,049,427	32,839,772
Net Increase (Decrease) in Net Assets Resulting from Operations	**198,391,391**	**235,042,535**
Distributions to Shareholders from ($):		
Investment income—net:		
Class A	(7,698,050)	(11,206,616)
Class C	(78,380)	(290,055)
Class I	(9,103,468)	(9,313,258)
Class Y	(2,118,510)	(2,700,953)
Net realized gain on investments:		
Class A	(77,881,696)	(12,942,367)
Class C	(4,217,212)	(742,862)
Class I	(72,188,323)	(9,421,902)
Class Y	(16,724,585)	(2,732,461)
Total Distributions	**(190,010,224)**	**(49,350,474)**
Capital Stock Transactions ($):		
Net proceeds from shares sold:		
Class A	31,491,175	76,003,545
Class C	2,203,030	5,149,906
Class I	68,860,108	464,675,655
Class Y	13,728,295	40,160,158
Distributions reinvested:		
Class A	79,361,251	22,422,051
Class C	3,574,080	805,366
Class I	78,055,760	18,245,284
Class Y	7,462,513	1,787,134
Cost of shares redeemed:		
Class A	(77,901,903)	(215,907,215)
Class C	(15,558,625)	(15,945,364)
Class I	(84,356,600)	(308,483,958)
Class Y	(22,744,872)	(63,440,368)
Increase (Decrease) in Net Assets from Capital Stock Transactions	**84,174,212**	**25,472,194**
Total Increase (Decrease) in Net Assets	**92,555,379**	**211,164,255**
Net Assets ($):		
Beginning of Period	1,790,506,494	1,579,342,239
End of Period	**1,883,061,873**	**1,790,506,494**
Undistributed investment income—net	5,459,471	12,532,274

	Six Months Ended February 28, 2018 (Unaudited)	Year Ended August 31, 2017
Capital Share Transactions (Shares):		
Class A[a,b]		
Shares sold	776,458	1,967,238
Shares issued for distributions reinvested	2,030,219	587,272
Shares redeemed	(1,890,428)	(5,518,118)
Net Increase (Decrease) in Shares Outstanding	**916,249**	**(2,963,608)**
Class C[b]		
Shares sold	58,256	139,175
Shares issued for distributions reinvested	97,866	22,427
Shares redeemed	(415,293)	(436,913)
Net Increase (Decrease) in Shares Outstanding	**(259,171)**	**(275,311)**
Class I[a]		
Shares sold	1,672,821	12,002,506
Shares issued for distributions reinvested	1,993,252	477,251
Shares redeemed	(2,052,981)	(7,886,248)
Net Increase (Decrease) in Shares Outstanding	**1,613,092**	**4,593,509**
Class Y[a]		
Shares sold	334,430	1,017,302
Shares issued for distributions reinvested	190,564	46,747
Shares redeemed	(559,132)	(1,612,375)
Net Increase (Decrease) in Shares Outstanding	**(34,138)**	**(548,326)**

[a] *During the period ended February 28, 2018, 13,092 Class Y shares representing $550,211 were exchanged for 13,095 Class I shares. During the period ended August 31, 2017, 14,939 Class A shares representing $603,006 were exchanged for 14,897 Class I shares and 2,348 Class A shares representing 92,439 were exchanged for 2,344 Class Y shares and 59,810 Class Y shares representing 2,352,272 were exchanged for 59,811 Class I shares.*

[b] *During the period ended February 28, 2018, 35,505 Class C shares representing $1,312,403 automatically converted to 33,163 Class A shares.*

See notes to financial statements.

FINANCIAL HIGHLIGHTS

The following tables describe the performance for each share class for the fiscal periods indicated. All information (except portfolio turnover rate) reflects financial results for a single fund share. Total return shows how much your investment in the fund would have increased (or decreased) during each period, assuming you had reinvested all dividends and distributions. These figures have been derived from the fund's financial statements.

Class A Shares	Six Months Ended February 28, 2018 (Unaudited)	Year Ended August 31, 2017	2016	2015	2014	2013
Per Share Data ($):						
Net asset value, beginning of period	40.12	36.08	38.49	43.34	37.27	29.28
Investment Operations:						
Investment income—net[a]	.24	.37	.50	.33	.35	.40
Net realized and unrealized gain (loss) on investments	4.12	4.72	2.41	(.66)	8.03	7.97
Total from Investment Operations	4.36	5.09	2.91	(.33)	8.38	8.37
Distributions:						
Dividends from investment income—net	(.39)	(.49)	(.39)	(.36)	(.26)	(.38)
Dividends from net realized gain on investments	(3.91)	(.56)	(4.93)	(4.16)	(2.05)	-
Total Distributions	(4.30)	(1.05)	(5.32)	(4.52)	(2.31)	(.38)
Net asset value, end of period	40.18	40.12	36.08	38.49	43.34	37.27
Total Return (%)[b]	11.15[c]	14.26	8.26	(.90)	23.09	28.82
Ratios/Supplemental Data (%):						
Ratio of total expenses to average net assets	.96[d]	1.07	1.12	1.11	1.12	1.14
Ratio of net expenses to average net assets	.93[d]	.97	.98	.98	.98	.98
Ratio of net investment income to average net assets	1.16[d]	.95	1.42	.81	.88	1.19
Portfolio Turnover Rate	56.96[c]	96.39	80.82	96.32	67.00	76.28
Net Assets, end of period ($ x 1,000)	856,228	818,085	842,532	880,116	970,817	1,065,660

[a] *Based on average shares outstanding.*
[b] *Exclusive of sales charge.*
[c] *Not annualized.*
[d] *Annualized.*
See notes to financial statements.

Class C Shares	Six Months Ended February 28, 2018 (Unaudited)	Year Ended August 31, 2017	2016	2015	2014	2013
Per Share Data ($):						
Net asset value, beginning of period	37.52	33.81	36.35	41.17	35.54	27.93
Investment Operations:						
Investment income—net[a]	.08	.07	.22	.02	.05	.14
Net realized and unrealized gain (loss) on investments	3.84	4.42	2.26	(.61)	7.63	7.62
Total from Investment Operations	3.92	4.49	2.48	(.59)	7.68	7.76
Distributions:						
Dividends from investment income—net	(.07)	(.22)	(.09)	(.07)	-	(.15)
Dividends from net realized gain on investments	(3.91)	(.56)	(4.93)	(4.16)	(2.05)	-
Total Distributions	(3.98)	(.78)	(5.02)	(4.23)	(2.05)	(.15)
Net asset value, end of period	37.46	37.52	33.81	36.35	41.17	35.54
Total Return (%)[b]	10.75[c]	13.39	7.46	(1.65)	22.17	27.87
Ratios/Supplemental Data (%):						
Ratio of total expenses to average net assets	1.72[d]	1.84	1.89	1.87	1.88	1.91
Ratio of net expenses to average net assets	1.68[d]	1.72	1.73	1.73	1.73	1.73
Ratio of net investment income to average net assets	.41[d]	.20	.67	.06	.12	.45
Portfolio Turnover Rate	56.96[c]	96.39	80.82	96.32	67.00	76.28
Net Assets, end of period ($ x 1,000)	32,826	42,611	47,696	53,226	59,442	50,665

[a] *Based on average shares outstanding.*
[b] *Exclusive of sales charge.*
[c] *Not annualized.*
[d] *Annualized.*
See notes to financial statements.

Class I Shares	Six Months Ended February 28, 2018 (Unaudited)	Year Ended August 31, 2017	2016	2015	2014	2013
Per Share Data ($):						
Net asset value, beginning of period	40.25	36.16	38.58	43.45	37.36	29.34
Investment Operations:						
Investment income—net[a]	.29	.48	.58	.43	.47	.48
Net realized and unrealized gain (loss) on investments	4.13	4.73	2.42	(.66)	8.03	7.99
Total from Investment Operations	4.42	5.21	3.00	(.23)	8.50	8.47
Distributions:						
Dividends from investment income—net	(.49)	(.56)	(.49)	(.48)	(.36)	(.45)
Dividends from net realized gain on investments	(3.91)	(.56)	(4.93)	(4.16)	(2.05)	-
Total Distributions	(4.40)	(1.12)	(5.42)	(4.64)	(2.41)	(.45)
Net asset value, end of period	40.27	40.25	36.16	38.58	43.45	37.36
Total Return (%)	11.29[b]	14.58	8.52	(.66)	23.40	29.18
Ratios/Supplemental Data (%):						
Ratio of total expenses to average net assets	.72[c]	.84	.89	.87	.84	.95
Ratio of net expenses to average net assets	.68[c]	.72	.73	.73	.73	.73
Ratio of net investment income to average net assets	1.41[c]	1.21	1.67	1.05	1.14	1.45
Portfolio Turnover Rate	56.96[b]	96.39	80.82	96.32	67.00	76.28
Net Assets, end of period ($ x 1,000)	817,378	751,934	509,485	389,711	392,260	317,800

[a] *Based on average shares outstanding.*
[b] *Not annualized.*
[c] *Annualized.*
See notes to financial statements.

Class Y Shares	Six Months Ended February 28, 2018 (Unaudited)	Year Ended August 31, 2017	2016	2015	2014	2013[a]
Per Share Data ($):						
Net asset value, beginning of period	40.25	36.16	38.58	43.45	37.36	36.70
Investment Operations:						
Investment income—net[b]	.30	.48	.59	.44	.32	.08
Net realized and unrealized gain (loss) on investments	4.13	4.73	2.41	(.67)	8.18	.58
Total from Investment Operations	4.43	5.21	3.00	(.23)	8.50	.66
Distributions:						
Dividends from investment income—net	(.49)	(.56)	(.49)	(.48)	(.36)	-
Dividends from net realized gain on investments	(3.91)	(.56)	(4.93)	(4.16)	(2.05)	-
Total Distributions	(4.40)	(1.12)	(5.42)	(4.64)	(2.41)	-
Net asset value, end of period	40.28	40.25	36.16	38.58	43.45	37.36
Total Return (%)	11.33[c]	14.58	8.52	(.66)	23.40	1.80[c]
Ratios/Supplemental Data (%):						
Ratio of total expenses to average net assets	.64[d]	.75	.79	.79	.78	.83[d]
Ratio of net expenses to average net assets	.64[d]	.71	.73	.73	.73	.73[d]
Ratio of net investment income to average net assets	1.46[d]	1.22	1.67	1.07	.87	1.21[d]
Portfolio Turnover Rate	56.96[c]	96.39	80.82	96.32	67.00	76.28
Net Assets, end of period ($ x 1,000)	176,630	177,876	179,629	215,685	230,522	1

[a] *From July 1, 2013 (commencement of initial offering) to August 31, 2013.*
[b] *Based on average shares outstanding.*
[c] *Not annualized.*
[d] *Annualized.*
See notes to financial statements.

NOTE 1—Significant Accounting Policies:

Dreyfus Strategic Value Fund (the "fund") is a separate diversified series of Advantage Funds, Inc. (the "Company"), which is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company and operates as a series company currently offering ten series, including the fund. The fund's investment objective is to seek capital appreciation. The Dreyfus Corporation (the "Manager" or "Dreyfus"), a wholly-owned subsidiary of The Bank of New York Mellon Corporation ("BNY Mellon"), serves as the fund's investment adviser.

MBSC Securities Corporation (the "Distributor"), a wholly-owned subsidiary of Dreyfus, is the distributor of the fund's shares. The fund is authorized to issue 800 million shares of $.001 par value Common Stock. The fund currently has authorized five classes of shares: Class A (300 million shares authorized), Class C (100 million shares authorized), Class I (200 million shares authorized), Class T (100 million shares authorized) and Class Y (100 million shares authorized). Class A and Class T shares generally are subject to a sales charge imposed at the time of purchase. Class C shares are subject to a contingent deferred sales charge ("CDSC") imposed on Class C shares redeemed within one year of purchase. Class C shares automatically convert to Class A shares ten years after the date of purchase, without the imposition of a sales charge. Class I and Class Y shares are sold at net asset value per share generally to institutional investors. As of the date of this report, the fund did not offer Class T shares for purchase. Other differences between the classes include the services offered to and the expenses borne by each class, the allocation of certain transfer agency costs, and certain voting rights. Income, expenses (other than expenses attributable to a specific class), and realized and unrealized gains or losses on investments are allocated to each class of shares based on its relative net assets.

The Company accounts separately for the assets, liabilities and operations of each series. Expenses directly attributable to each series are charged to that series' operations; expenses which are applicable to all series are allocated among them on a pro rata basis.

The Financial Accounting Standards Board ("FASB") Accounting Standards Codification is the exclusive reference of authoritative U.S. generally accepted accounting principles ("GAAP") recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the Securities and Exchange Commission ("SEC") under authority of federal laws are also sources of authoritative GAAP for SEC registrants. The fund's financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

The Company enters into contracts that contain a variety of indemnifications. The fund's maximum exposure under these arrangements is unknown. The fund does not anticipate recognizing any loss related to these arrangements.

(a) Portfolio valuation: The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). GAAP establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Additionally, GAAP provides guidance on determining whether the volume and activity in a market has decreased significantly and whether such a decrease in activity results in transactions that are not orderly. GAAP requires enhanced disclosures around valuation inputs and techniques used during annual and interim periods.

Various inputs are used in determining the value of the fund's investments relating to fair value measurements. These inputs are summarized in the three broad levels listed below:

> **Level 1**—unadjusted quoted prices in active markets for identical investments.
>
> **Level 2**—other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.).
>
> **Level 3**—significant unobservable inputs (including the fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. Valuation techniques used to value the fund's investments are as follows:

Investments in securities are valued at the last sales price on the securities exchange or national securities market on which such securities are primarily traded. Securities listed on the National Market System for which market quotations are available are valued at the official closing price or, if there is no official closing price that day, at the last sales price. For open short positions, asked prices are used for valuation purposes. Bid price is used when no asked price is available. Registered investment companies that are not traded on an exchange are valued at their net asset value. All of the preceding securities are generally categorized within Level 1 of the fair value hierarchy.

Securities not listed on an exchange or the national securities market, or securities for which there were no transactions, are valued at the average of the most recent bid and asked prices. These securities are generally categorized within Level 2 of the fair value hierarchy.

Fair valuing of securities may be determined with the assistance of a pricing service using calculations based on indices of domestic securities and other appropriate indicators, such as prices of relevant American Depository Receipts and futures. Utilizing these techniques may result in transfers between Level 1 and Level 2 of the fair value hierarchy.

When market quotations or official closing prices are not readily available, or are determined to not accurately reflect fair value, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded (for example, a foreign exchange or market), but before the fund calculates its net asset value, the fund may value these investments at fair value as determined in accordance with the procedures approved by the Company's Board of Directors (the "Board"). Certain factors may be considered when fair valuing investments such as: fundamental analytical data, the nature and duration of restrictions on disposition, an evaluation of the forces that influence the market in which the securities are purchased and sold, and public trading in similar securities of the issuer or comparable issuers. These securities are either categorized within Level 2 or 3 of the fair value hierarchy depending on the relevant inputs used.

For restricted securities where observable inputs are limited, assumptions about market activity and risk are used and are generally categorized within Level 3 of the fair value hierarchy.

The following is a summary of the inputs used as of February 28, 2018 in valuing the fund's investments:

	Level 1 - Unadjusted Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Total
Assets ($)				
Investments in Securities:				
Equity Securities - Domestic Common Stocks†	1,861,408,878	-	-	**1,861,408,878**
Equity Securities - Foreign Common Stocks†	12,488,810	-	-	**12,488,810**
Exchange-Traded Funds	3,894,234	-	-	**3,894,234**
Registered Investment Companies	12,665,478	-	-	**12,665,478**

† *See Statement of Investments for additional detailed categorizations.*

At February 28, 2018, there were no transfers between levels of the fair value hierarchy. It is the fund's policy to recognize transfers between levels at the end of the reporting period.

(b) Securities transactions and investment income: Securities transactions are recorded on a trade date basis. Realized gains and losses from securities transactions are recorded on the identified cost basis. Dividend income is recognized on the ex-dividend date and interest income, including, where applicable, accretion of discount and amortization of premium on investments, is recognized on the accrual basis.

Pursuant to a securities lending agreement with The Bank of New York Mellon, a subsidiary of BNY Mellon and an affiliate of Dreyfus, the fund may lend securities to qualified institutions. It is the fund's policy that, at origination, all loans are secured by collateral of at least 102% of the value of U.S. securities loaned and 105% of the value of foreign securities loaned. Collateral equivalent to at least 100% of the market value of securities on loan is maintained at all times. Collateral is either in the form of cash, which can be invested in certain money market mutual funds managed by Dreyfus, or U.S. Government and Agency securities. The fund is entitled to receive all dividends, interest and distributions on securities loaned, in addition to income earned as a result of the lending transaction. Should a borrower fail to return the securities in a timely manner, The Bank of New York Mellon is required to replace the securities for the benefit of the fund or credit the fund with the market value of the unreturned securities and is subrogated to the fund's rights against the borrower and the collateral. Additionally, the contractual maturity of security lending transactions are on an overnight and continuous basis.

During the period ended February 28, 2018, The Bank of New York Mellon earned $1,495 from lending portfolio securities, pursuant to the securities lending agreement.

(c) Affiliated issuers: Investments in other investment companies advised by Dreyfus are defined as "affiliated" under the Act.

(d) Dividends and distributions to shareholders: Dividends and distributions are recorded on the ex-dividend date. Dividends from investment income-net and dividends from net realized capital gains, if any, are normally declared and paid annually, but the fund may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code of 1986, as amended (the "Code"). To the extent that net realized capital gains can be offset by capital loss carryovers, it is the policy of the fund not to distribute such gains. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

(e) Federal income taxes: It is the policy of the fund to continue to qualify as a regulated investment company, if such qualification is in the best interests of its shareholders, by complying with the applicable provisions of the Code, and to make distributions of taxable income sufficient to relieve it from substantially all federal income and excise taxes.

As of and during the period ended February 28, 2018, the fund did not have any liabilities for any uncertain tax positions. The fund recognizes interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statement of Operations. During the period ended February 28, 2018, the fund did not incur any interest or penalties.

Each tax year in the three-year period ended August 31, 2017 remains subject to examination by the Internal Revenue Service and state taxing authorities.

Under the Regulated Investment Company Modernization Act of 2010 (the "2010 Act"), the fund is permitted to carry forward capital losses incurred in taxable years beginning after December 22, 2010 ("post-enactment losses") for an unlimited period. Furthermore, post-enactment capital loss carryovers retain their character as either short-term or long-term capital losses rather than short-term as they were under previous statute. The 2010 Act requires post-enactment losses to be utilized before the utilization of losses incurred in taxable years prior to the effective date of the 2010 Act ("pre-enactment losses"). As a result of this ordering rule, pre-enactment losses may be more likely to expire unused.

As a result of the fund's merger with Dreyfus Large Cap Value Fund, capital losses of $1,159,608 are available to offset future realized gains, if any. Based on certain provisions in the Code, the amount of losses which can be utilized in subsequent years is subject to an annual limitation. This acquired capital loss will expire in fiscal year 2018.

The tax character of distributions paid to shareholders during the fiscal year ended August 31, 2017 was as follows: ordinary income $23,510,882 and long-term capital gains $25,839,592. The tax character of current year distributions will be determined at the end of the current fiscal year.

NOTE 2—Bank Lines of Credit:

The fund participates with other Dreyfus-managed funds in an $830 million unsecured credit facility led by Citibank, N.A. and a $300 million unsecured credit facility provided by The Bank of New York Mellon (each, a "Facility"), each to be utilized primarily for temporary or emergency purposes, including the financing of redemptions. Prior to October 4, 2017, the unsecured credit facility with Citibank, N.A. was $810 million. In connection therewith, the fund has agreed to pay its pro rata portion of commitment fees for each Facility. Interest is charged to the fund based on rates determined pursuant to the terms of the respective Facility at the time of borrowing.

The average amount of borrowings outstanding under the Facilities during the period ended February 28, 2018 was approximately $262,400 with a related weighted average annualized interest rate of 2.41%.

NOTE 3—Management Fee and Other Transactions with Affiliates:

(a) Pursuant to a management agreement with Dreyfus in place during the period ended February 28, 2018, the fund had agreed to pay a management fee at the annual rate of .60% of the value of the fund's average daily net assets and is payable monthly. Dreyfus has contractually agreed, from September 1, 2017 through December 31, 2018, to waive receipt of its fees and/or assume the direct expenses of the fund, so that the total annual fund operating expenses of Class A, C, I and Y shares (excluding Rule 12b-1 Distribution Plan fees, Shareholder Services Plan fees, taxes, interest expense, brokerage commissions, commitment fees on borrowings and extraordinary expenses) do not exceed .68% of the value of the fund's average daily net assets. The reduction in expenses, pursuant to the undertaking amounted to $260,879 during the period ended February 28, 2018.

During the period ended February 28, 2018, the Distributor retained $11,146 from commissions earned on sales of the fund's Class A shares and $3,127 from CDSCs on redemptions of the fund's Class C shares.

(b) Under the Distribution Plan adopted pursuant to Rule 12b-1 under the Act, Class C shares pay the Distributor for distributing its shares at an annual rate of .75% of the value of its average daily net assets. During the period ended February 28, 2018, Class C shares were charged $146,823 pursuant to the Distribution Plan.

(c) Under the Shareholder Services Plan, Class A and Class C shares pay the Distributor at an annual rate of .25% of the value of their average daily net assets for the provision of certain services. The services provided may include personal services relating to shareholder accounts, such as answering shareholder inquiries regarding the fund and providing reports and other information, and services related to the maintenance of shareholder accounts. The Distributor may make payments to Service Agents (securities dealers, financial institutions or other industry professionals) with respect to these services. The Distributor determines the amounts to be paid to Service Agents. During the period ended February 28, 2018, Class A and Class C shares were charged $1,065,284 and $48,941, respectively, pursuant to the Shareholder Services Plan.

The fund has arrangements with the transfer agent and the custodian whereby the fund may receive earnings credits when positive cash balances are maintained, which are used to offset transfer agency and custody fees. For financial reporting purposes, the fund includes net earnings credits as an expense offset in the Statement of Operations.

The fund compensates Dreyfus Transfer, Inc., a wholly-owned subsidiary of Dreyfus, under a transfer agency agreement for providing transfer agency and cash management services for the fund. The majority of transfer agency fees are comprised of amounts paid on a per account basis, while cash management fees are related to fund subscriptions and redemptions. During the period ended February 28, 2018, the fund was charged $45,024 for transfer agency services and $9,499 for cash management services. These fees are included in Shareholder servicing costs in the Statement of Operations. Cash management fees were offset by earnings credits of $9,499.

The fund compensates The Bank of New York Mellon under a custody agreement for providing custodial services for the fund. These fees are determined based on net assets, geographic region and transaction activity. During the period ended February 28, 2018, the fund was charged $50,757 pursuant to the custody agreement.

During the period ended February 28, 2018, the fund was charged $5,495 for services performed by the Chief Compliance Officer and his staff.

The components of "Due to The Dreyfus Corporation and affiliates" in the Statement of Assets and Liabilities consist of: management fees $873,726, Distribution Plan fees $19,049, Shareholder Services Plan fees $171,809, custodian fees $51,146, Chief Compliance Officer fees $7,326 and transfer agency fees $39,169, which are offset against an expense reimbursement currently in effect in the amount of $61,289.

(d) Each Board member also serves as a Board member of other funds within the Dreyfus complex. Annual retainer fees and attendance fees are allocated to each fund based on net assets.

NOTE 4—Securities Transactions:

The aggregate amount of purchases and sales of investment securities, excluding short-term securities, during the period ended February 28, 2018, amounted to $1,068,991,891 and $1,162,713,909, respectively.

At February 28, 2018, accumulated net unrealized appreciation on investments was $349,022,755, consisting of $376,850,400 gross unrealized appreciation and $27,827,645 gross unrealized depreciation.

At February 28, 2018, the cost of investments for federal income tax purposes was substantially the same as the cost for financial reporting purposes (see the Statement of Investments).

At a meeting of the fund's Board of Directors held on February 14-15, 2018, the Board considered the renewal of the fund's Management Agreement pursuant to which Dreyfus provides the fund with investment advisory and administrative services (the "Agreement"). The Board members, none of whom are "interested persons" (as defined in the Investment Company Act of 1940, as amended) of the fund, were assisted in their review by independent legal counsel and met with counsel in executive session separate from Dreyfus representatives. In considering the renewal of the Agreement, the Board considered all factors that it believed to be relevant, including those discussed below. The Board did not identify any one factor as dispositive, and each Board member may have attributed different weights to the factors considered.

Analysis of Nature, Extent, and Quality of Services Provided to the Fund. The Board considered information provided to them at the meeting and in previous presentations from Dreyfus representatives regarding the nature, extent, and quality of the services provided to funds in the Dreyfus fund complex. Dreyfus provided the number of open accounts in the fund, the fund's asset size and the allocation of fund assets among distribution channels. Dreyfus also had previously provided information regarding the diverse intermediary relationships and distribution channels of funds in the Dreyfus fund complex (such as retail direct or intermediary, in which intermediaries typically are paid by the fund and/or Dreyfus) and Dreyfus' corresponding need for broad, deep, and diverse resources to be able to provide ongoing shareholder services to each intermediary or distribution channel, as applicable to the fund.

The Board also considered research support available to, and portfolio management capabilities of, the fund's portfolio management personnel and that Dreyfus also provides oversight of day-to-day fund operations, including fund accounting and administration and assistance in meeting legal and regulatory requirements. The Board also considered Dreyfus' extensive administrative, accounting and compliance infrastructures. The Board also considered portfolio management's brokerage policies and practices (including policies and practices regarding soft dollars) and the standards applied in seeking best execution.

Comparative Analysis of the Fund's Performance and Management Fee and Expense Ratio. The Board reviewed reports prepared by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent provider of investment company data, which included information comparing (1) the fund's performance with the performance of a group of comparable funds (the "Performance Group") and with a broader group of funds (the "Performance Universe"), all for various periods ended December 31, 2017, and (2) the fund's actual and contractual management fees and total expenses with those of a group of comparable funds (the "Expense Group") and with a broader group of funds (the "Expense Universe"), the information for which was derived in part from fund financial statements available to Broadridge as of the date of its analysis. Dreyfus previously had furnished the Board with a description of the methodology Broadridge used to select the Performance Group and Performance Universe and the Expense Group and Expense Universe.

Dreyfus representatives stated that the usefulness of performance comparisons may be affected by a number of factors, including different investment limitations that may be applicable to the fund and comparison funds. The Board discussed with representatives of Dreyfus and/or its affiliates the results of the comparisons and considered that the fund's total return performance was above the Performance Group and Performance Universe medians for all periods, except for the one-year period when the fund's performance was below the Performance Universe median. Dreyfus also provided a comparison of the fund's calendar year total returns to the returns of the fund's benchmark index, and it was considered that the fund's returns were above the returns of the index in seven of the ten calendar years shown.

The Board also reviewed the range of actual and contractual management fees and total expenses of the Expense Group and Expense Universe funds and discussed the results of the comparisons. The Board considered that the fund's contractual management fee was below the Expense Group median and the fund's actual management fee and total expenses were below the Expense Group and Expense Universe medians.

Dreyfus representatives stated that Dreyfus has contractually agreed to waive receipt of its fees and/or assume the expenses of the fund, until December 31, 2018, so that annual direct fund operating expenses (excluding Rule 12b-1 fees, shareholder services fees, taxes, interest, brokerage commissions, commitment fees on borrowings and extraordinary expenses) do not exceed 0.68% of the fund's average daily net assets.

Dreyfus representatives reviewed with the Board the management or investment advisory fees (1) paid by funds advised or administered by Dreyfus that are in the same Lipper category as the fund and (2) paid to Dreyfus or the Dreyfus-affiliated primary employer of the fund's primary portfolio manager(s) for advising any separate accounts and/or other types of client portfolios that are considered to have similar investment strategies and policies as the fund (the "Similar Clients"), and explained the nature of the Similar Clients. They discussed differences in fees paid and the relationship of the fees paid in light of any differences in the services provided and other relevant factors. The Board considered the relevance of the fee information provided for the Similar Clients to evaluate the appropriateness of the fund's management fee.

<u>Analysis of Profitability and Economies of Scale.</u> Dreyfus representatives reviewed the expenses allocated and profit received by Dreyfus and its affiliates and the resulting profitability percentage for managing the fund and the aggregate profitability percentage to Dreyfus and its affiliates for managing the funds in the Dreyfus fund complex, and the method used to determine the expenses and profit. The Board concluded that the profitability results were not unreasonable, given the services rendered and service levels provided by Dreyfus. The Board also considered the expense limitation arrangement and its effect on the profitability of Dreyfus and its affiliates. The Board also had been provided with information prepared by an independent consulting firm regarding Dreyfus' approach to allocating costs to, and determining the profitability of, individual funds and the entire Dreyfus fund complex. The consulting firm also had analyzed where any economies of scale might emerge in connection with the management of a fund.

The Board considered, on the advice of its counsel, the profitability analysis (1) as part of its evaluation of whether the fees under the Agreement, considered in relation to the mix of services provided by Dreyfus, including the nature, extent and quality of such services, supported the renewal of the Agreement and (2) in light of the relevant circumstances for the fund and the extent to which economies of scale would be realized if the fund grows and whether fee levels reflect these economies of scale for the benefit of fund shareholders. Dreyfus representatives also stated that, as a result of shared and allocated costs among funds in the Dreyfus fund complex, the extent of economies of scale could depend substantially on the level of assets in the complex as a whole, so that increases and decreases in complex-wide assets can affect potential economies of scale in a manner that is disproportionate to, or even in the opposite direction from, changes in the fund's asset level. The Board also considered potential benefits to Dreyfus from acting as investment adviser and took into consideration the soft dollar arrangements in effect for trading the fund's investments.

At the conclusion of these discussions, the Board agreed that it had been furnished with sufficient information to make an informed business decision with respect to the renewal of the Agreement. Based on the discussions and considerations as described above, the Board concluded and determined as follows.

- The Board concluded that the nature, extent and quality of the services provided by Dreyfus are adequate and appropriate.
- The Board was satisfied with the fund's performance.
- The Board concluded that the fee paid to Dreyfus continued to be appropriate under the circumstances and in light of the factors and the totality of the services provided as discussed above.
- The Board determined that the economies of scale which may accrue to Dreyfus and its affiliates in connection with the management of the fund had been adequately considered by Dreyfus in connection with the fee rate charged to the fund pursuant to the Agreement and that, to the extent in the future it were determined that material economies of scale had not been shared with the fund, the Board would seek to have those economies of scale shared with the fund.

In evaluating the Agreement, the Board considered these conclusions and determinations and also relied on its previous knowledge, gained through meetings and other interactions with Dreyfus and its affiliates, of Dreyfus and the services provided to the fund by Dreyfus. The Board also relied on information received on a routine and regular basis throughout the year relating to the operations of the fund and the investment management and other services provided under the Agreement, including information on the investment performance of the fund in comparison to similar mutual funds and benchmark performance indices; general market outlook as applicable to the fund; and compliance reports. In addition, the Board's consideration of the contractual fee arrangements for this fund had the benefit of a number of years of reviews of the Agreement for the fund, or substantially similar agreements for other

Dreyfus funds that the Board oversees, during which lengthy discussions took place between the Board and Dreyfus representatives. Certain aspects of the arrangements may receive greater scrutiny in some years than in others, and the Board's conclusions may be based, in part, on their consideration of the fund's arrangements, or substantially similar arrangements for other Dreyfus funds that the Board oversees, in prior years. The Board determined to renew the Agreement.

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For More Information

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The Bank of New York Mellon
225 Liberty Street
New York, NY 10286

Transfer Agent & Dividend Disbursing Agent

Dreyfus Transfer, Inc.
200 Park Avenue
New York, NY 10166

Distributor

MBSC Securities Corporation
200 Park Avenue
New York, NY 10166

Ticker Symbols: Class A:DAGVX Class C:DCGVX Class I:DRGVX Class Y:DRGYX

Telephone Call your financial representative or 1-800-DREYFUS

Mail The Dreyfus Family of Funds, 144 Glenn Curtiss Boulevard, Uniondale, NY 11556-0144

E-mail Send your request to info@dreyfus.com

Internet Information can be viewed online or downloaded at www.dreyfus.com

The fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The fund's Forms N-Q are available on the SEC's website at www.sec.gov and may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. (phone 1-800-SEC-0330 for information).

A description of the policies and procedures that the fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the fund voted these proxies for the most recent 12-month period ended June 30 is available at www.dreyfus.com and on the SEC's website at www.sec.gov and without charge, upon request, by calling 1-800-DREYFUS.

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