

# Dreyfus Opportunistic Midcap Value Fund



**SEMIANNUAL REPORT**  
February 28, 2018

---

**Save time. Save paper. View your next shareholder report online as soon as it's available. Log into [www.dreyfus.com](http://www.dreyfus.com) and sign up for Dreyfus eCommunications. It's simple and only takes a few minutes.**

---

The views expressed in this report reflect those of the portfolio manager(s) only through the end of the period covered and do not necessarily represent the views of Dreyfus or any other person in the Dreyfus organization. Any such views are subject to change at any time based upon market or other conditions and Dreyfus disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Dreyfus fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Dreyfus fund.

Not FDIC-Insured • Not Bank-Guaranteed • May Lose Value

# Contents

## THE FUND

---

A Letter from the President of Dreyfus	2
Discussion of Fund Performance	3
Understanding Your Fund's Expenses	5
Comparing Your Fund's Expenses With Those of Other Funds	5
Statement of Investments	6
Statement of Investments in Affiliated Issuers	10
Statement of Assets and Liabilities	11
Statement of Operations	12
Statement of Changes in Net Assets	13
Financial Highlights	15
Notes to Financial Statements	19
Information About the Renewal of the Fund's Management Agreement	26

## FOR MORE INFORMATION

---

Back Cover

**Dreyfus Opportunistic Midcap  
Value Fund** **The Fund**

## A LETTER FROM THE PRESIDENT OF DREYFUS

Dear Shareholder:

We are pleased to present this semiannual report for Dreyfus Opportunistic Midcap 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,



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 David A. Daglio, lead portfolio manager, James Boyd, Brian R. Duncan, and Dale Dutile, portfolio managers*

### **Market and Fund Performance Overview**

For the six-month period ended February 28, 2018, Dreyfus Opportunistic Midcap Value Fund's Class A shares produced a total return of 9.81%, Class C shares returned 9.40%, Class I shares returned 9.96%, and Class Y shares returned 10.01%.<sup>1</sup> In comparison, the fund's benchmark, the Russell Midcap® Value Index (the "Index"), produced a 5.41% total return for the same period.<sup>2</sup>

Mid-cap stocks continued to gain ground over the reporting period amid rising corporate earnings, improved economic conditions, and the passage of business-friendly tax-reform legislation. The fund produced higher returns than the Index, mainly due to the success of our security selection strategy in the utilities, materials, and financials sectors.

As of November 13, 2017, Brian R. Duncan became a portfolio manager for the fund.

### **The Fund's Investment Approach**

The fund seeks to surpass the performance of the Index. Prior to January 12, 2018, the fund normally invested at least 80% of its net assets, plus any borrowings for investment purposes, in mid-cap stocks with market capitalizations between \$1 billion and \$25 billion at the time of purchase. Effective January 12, 2018, the fund normally invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of mid-cap companies. The fund currently considers mid-cap companies to be those with market capitalizations, at the time of purchase, within the market capitalization range of companies comprising the Index.

The fund's portfolio managers identify potential investments through extensive fundamental and quantitative research. The fund focuses on individual stock selection (a "bottom-up" approach), emphasizing three key factors: relative value, business health, and business momentum.

The fund's portfolio managers use an opportunistic value approach to identify stocks whose current market prices trade at a large discount to their intrinsic value, as calculated by the portfolio managers. The opportunistic value style attempts to benefit from valuation inefficiencies and underappreciated fundamental prospects present in the marketplace. The portfolio managers use mid-cycle estimates, growth prospects, the identification of a revaluation catalyst and competitive advantages as some of the factors in the valuation assessment.

### **Rising Corporate Earnings Drove Markets Higher**

Continuing a trend established earlier in 2017, stocks across all capitalization ranges remained energized during the reporting period by better-than-expected corporate earnings growth, strengthening U.S. labor markets, and encouraging global economic developments. In addition, investors responded positively to the enactment of tax-reform legislation in December 2017. Consequently, the Index reached a series of new highs through January 2018. While inflation fears sparked heightened market volatility in February, the resulting declines were not enough to fully offset earlier gains.

The market's advance also was supported by well-telegraphed shifts in monetary policy. Although rising interest rates historically have tended to undermine investor sentiment toward stocks, the Federal Reserve Board's gradual approach to adopting a less accommodative monetary policy generally was received calmly by investors, who focused more on improving business conditions and corporate earnings growth. However, mid-cap stocks generally trailed their large-cap counterparts in this environment, and growth stocks typically outperformed value-oriented stocks.

## DISCUSSION OF FUND PERFORMANCE (*Unaudited*) (*continued*)

### Security Selections Bolstered Fund Performance

The fund participated more than fully in the Index's gains over the reporting period, supported by our security selection and asset allocation strategies across several market segments. Underweighted exposure to the struggling utilities sector particularly enhanced relative performance, as did our security selection strategy in the materials sector. Most notably, polyethylene producer Westlake Chemical gained value due to stronger demand and lower input prices, mining giant Freeport-McMoRan advanced along with copper prices, and paper-and-packaging producer International Paper boosted revenues through price increases on various products. In the financials sector, online brokerage firms E\*Trade Financial and TD Ameritrade Holding benefited from lower corporate tax rates and increased participation in the financial markets by individual investors. Investment bank and asset manager *Raymond James Financial* gained market share and benefited from rising interest rates. Consumer finance company Synchrony Financial experienced robust loan growth while credit losses remained stable. Regional bank KeyCorp proved well positioned for rising interest rates as well as greater profitability in Midwestern states.

Disappointment proved relatively mild during the reporting period. Among information technology companies, investors in payment solutions provider First Data expressed skepticism regarding a potential turnaround in profitability. In the telecommunication services sector, networking specialists Lumentum Holdings and VIAVI Solutions struggled during the reporting period with deferred customer orders, but we already have seen evidence that these issues are likely to be temporary. Health care companies Dentsply Sirona and Jazz Pharmaceuticals have not yet been rewarded by investors for new products in their pipelines.

### Finding Opportunities Amid Volatility

We have continued to identify what we believe to be attractive mid-cap value investment opportunities in an environment of positive economic growth, low unemployment, and rising corporate earnings. Moreover, current market volatility may present opportunities to purchase the stocks of fundamentally strong companies at more attractive prices. As of the reporting period's end, we have identified an ample number of companies meeting our investment criteria in the information technology, financials, materials, and health care sectors. In contrast, we have found relatively few investment opportunities in the real estate, utilities, and telecommunication services sectors.

March 15, 2018

<sup>1</sup> 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 charge 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.

<sup>2</sup> Source: Lipper Inc. — The Russell Midcap® Value Index measures the performance of the mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap® Index companies that are considered more value-oriented relative to the overall market as defined by Russell's leading style methodology. The Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap value market. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap value market. Investors cannot invest directly in any index.

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

Stocks of small- and/or mid-cap companies often experience sharper price fluctuations than stocks of large-cap companies.

## 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 Opportunistic Midcap 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†	\$	6.03	\$	9.97	\$	4.63	\$	4.17
Ending value (after expenses)	\$	1,098.10	\$	1,094.00	\$	1,099.60	\$	1,100.10

## 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†	\$	5.81	\$	9.59	\$	4.46	\$	4.01
Ending value (after expenses)	\$	1,019.04	\$	1,015.27	\$	1,020.38	\$	1,020.83

† Expenses are equal to the fund's annualized expense ratio of 1.16% for Class A, 1.92% for Class C, .89% for Class I and .80% 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 (\$)
<b>Common Stocks - 99.1%</b>		
<b>Automobiles &amp; Components - .8%</b>		
Visteon	71,413 <sup>a</sup>	<b>8,843,786</b>
<b>Banks - 3.2%</b>		
East West Bancorp	353,454	23,168,910
KeyCorp	512,473	10,828,554
		<b>33,997,464</b>
<b>Capital Goods - 6.5%</b>		
Fluor	516,270	29,375,763
Middleby	167,506 <sup>a,b</sup>	20,142,597
PACCAR	276,950	19,826,851
		<b>69,345,211</b>
<b>Commercial &amp; Professional Services - 1.6%</b>		
Nielsen Holdings	508,011	<b>16,576,399</b>
<b>Consumer Durables &amp; Apparel - 1.5%</b>		
Newell Brands	630,339	<b>16,193,409</b>
<b>Consumer Services - 1.0%</b>		
Norwegian Cruise Line Holdings	183,669 <sup>a</sup>	<b>10,450,766</b>
<b>Diversified Financials - 16.0%</b>		
Ally Financial	1,214,349	33,880,337
E*TRADE Financial	663,529 <sup>a</sup>	34,656,120
Eaton Vance	307,381	16,269,676
Leucadia National	1,219,602	29,258,252
SLM	1,970,556 <sup>a</sup>	21,498,766
Synchrony Financial	727,912	26,488,718
TD Ameritrade Holding	142,772	8,209,390
		<b>170,261,259</b>
<b>Energy - 8.3%</b>		
Andeavor	260,689	23,362,948
Cabot Oil & Gas	600,115	14,498,778
Parsley Energy, Cl. A	635,226 <sup>a</sup>	16,058,513
Pioneer Natural Resources	59,923	10,200,692
Valero Energy	261,272	23,624,214
		<b>87,745,145</b>
<b>Exchange-Traded Funds - .7%</b>		
SPDR S&P MidCap 400 ETF Trust	23,484	<b>7,967,182</b>
<b>Food &amp; Staples Retailing - 1.1%</b>		
US Foods Holding	336,413 <sup>a</sup>	<b>11,232,830</b>
<b>Food, Beverage &amp; Tobacco - 1.3%</b>		
Archer-Daniels-Midland	333,444	<b>13,844,595</b>
<b>Health Care Equipment &amp; Services - 5.4%</b>		
Boston Scientific	859,648 <sup>a</sup>	23,434,004
DENTSPLY SIRONA	148,125	8,303,888



Description	Shares	Value (\$)
<b>Common Stocks - 99.1% (continued)</b>		
<b>Health Care Equipment &amp; Services - 5.4% (continued)</b>		
Zimmer Biomet Holdings	219,880	25,561,050
		<b>57,298,942</b>
<b>Materials - 12.6%</b>		
Eagle Materials	146,439	14,677,581
Freeport-McMoRan	1,143,418 <sup>a</sup>	21,267,575
Huntsman	823,608	26,577,830
International Paper	418,907	24,962,668
Newmont Mining	318,272	12,157,990
Westlake Chemical	311,340	33,705,668
		<b>133,349,312</b>
<b>Media - 1.8%</b>		
Sinclair Broadcast Group, Cl. A	578,431 <sup>b</sup>	<b>19,550,968</b>
<b>Pharmaceuticals, Biotechnology &amp; Life Sciences - 8.5%</b>		
Alexion Pharmaceuticals	207,148 <sup>a</sup>	24,329,533
Jazz Pharmaceuticals	200,100 <sup>a</sup>	28,974,480
Mylan	389,845 <sup>a</sup>	15,718,550
PRA Health Sciences	126,273 <sup>a</sup>	10,606,932
Sage Therapeutics	64,329 <sup>a,b</sup>	10,380,127
		<b>90,009,622</b>
<b>Semiconductors &amp; Semiconductor Equipment - 4.8%</b>		
Advanced Micro Devices	1,827,825 <sup>a,b</sup>	22,134,961
Maxim Integrated Products	469,626	28,619,008
		<b>50,753,969</b>
<b>Software &amp; Services - 9.2%</b>		
DXC Technology	167,061	17,130,435
First Data, Cl. A	1,767,039 <sup>a</sup>	27,601,149
Fortinet	363,229 <sup>a</sup>	18,332,168
Nuance Communications	1,465,160 <sup>a</sup>	23,530,470
Teradata	294,264 <sup>a,b</sup>	10,834,800
		<b>97,429,022</b>
<b>Technology Hardware &amp; Equipment - 9.0%</b>		
Ciena	791,994 <sup>a</sup>	18,350,501
Lumentum Holdings	283,187 <sup>a,b</sup>	17,274,407
Viavi Solutions	1,200,024 <sup>a</sup>	11,544,231
Xerox	735,180	22,290,658
Zebra Technologies, Cl. A	188,590 <sup>a</sup>	26,051,823
		<b>95,511,620</b>
<b>Transportation - 5.8%</b>		
J.B. Hunt Transport Services	72,846	8,637,350
Knight-Swift Transportation Holdings	557,615	26,854,738
Southwest Airlines	454,539	26,290,536
		<b>61,782,624</b>
<b>Total Common Stocks</b> (cost \$907,280,486)		<b>1,052,144,125</b>

STATEMENT OF INVESTMENTS (Unaudited) (continued)

Description	Shares	Value (\$)
<b>Other Investment - .5%</b>		
<b>Registered Investment Company;</b>		
Dreyfus Institutional Preferred Government Plus Money Market Fund (cost \$5,237,254)	5,237,254 <sup>c</sup>	5,237,254
<b>Investment of Cash Collateral for Securities Loaned - 5.1%</b>		
<b>Registered Investment Company;</b>		
Dreyfus Institutional Preferred Government Money Market Fund, Institutional Shares (cost \$54,356,775)	54,356,775 <sup>c</sup>	54,356,775
<b>Total Investments</b> (cost \$966,874,515)	<b>104.7%</b>	<b>1,111,738,154</b>
<b>Liabilities, Less Cash and Receivables</b>	<b>(4.7%)</b>	<b>(49,832,947)</b>
<b>Net Assets</b>	<b>100.0%</b>	<b>1,061,905,207</b>

ETF—Exchange-Traded Fund

SPDR—Standard & Poor's Depository Receipt

<sup>a</sup> Non-income producing security.

<sup>b</sup> Security, or portion thereof, on loan. At February 28, 2018, the value of the fund's securities on loan was \$63,610,223 and the value of the collateral held by the fund was \$67,309,738, consisting of cash collateral of \$54,356,775 and U.S. Government & Agency securities valued at \$12,952,963.

<sup>c</sup> Investment in affiliated money market mutual fund.

Portfolio Summary (Unaudited) †	Value (%)
Diversified Financials	16.0
Materials	12.6
Software & Services	9.2
Technology Hardware & Equipment	9.0
Pharmaceuticals, Biotechnology & Life Sciences	8.5
Energy	8.3
Capital Goods	6.5
Transportation	5.8
Money Market Investments	5.6
Health Care Equipment & Services	5.4
Semiconductors & Semiconductor Equipment	4.8
Banks	3.2
Media	1.8
Commercial & Professional Services	1.6
Consumer Durables & Apparel	1.5
Food, Beverage & Tobacco	1.3
Food & Staples Retailing	1.1
Consumer Services	1.0
Automobiles & Components	.8
Exchange-Traded Funds	.7
	<b>104.7</b>

† Based on net assets.

See notes to financial statements.

**STATEMENT OF INVESTMENTS IN AFFILIATED ISSUERS**  
(Unaudited)

Registered Investment Companies	Value		Sales (\$)	Value		Net Assets (%)	Dividends/ Distributions (\$)
	8/31/17 (\$)	Purchases (\$)		2/28/18 (\$)			
Dreyfus Institutional Preferred Government Plus Money Market Fund	2,081,600	167,724,362	164,568,708	5,237,254		.5	31,450
Dreyfus Institutional Preferred Government Money Market Fund, Institutional Shares	-	111,854,687	57,497,912	54,356,775		5.1	-
<b>Total</b>	<b>2,081,600</b>	<b>279,579,049</b>	<b>222,066,620</b>	<b>59,594,029</b>		<b>5.6</b>	<b>31,450</b>

*See notes to financial statements.*

# STATEMENT OF ASSETS AND LIABILITIES

February 28, 2018 (Unaudited)

	Cost	Value		
<b>Assets (\$):</b>				
Investments in securities—See Statement of Investments (including securities on loan, valued at \$63,610,223)—Note 1(b):				
Unaffiliated issuers	907,280,486	1,052,144,125		
Affiliated issuers	59,594,029	59,594,029		
Cash		485,235		
Receivable for investment securities sold		4,697,603		
Dividends and securities lending income receivable		1,311,460		
Receivable for shares of Common Stock subscribed		295,013		
Prepaid expenses		68,317		
		<b>1,118,595,782</b>		
<b>Liabilities (\$):</b>				
Due to The Dreyfus Corporation and affiliates—Note 3(c)		830,822		
Liability for securities on loan—Note 1(b)		54,356,775		
Payable for shares of Common Stock redeemed		1,187,208		
Interest payable—Note 2		223		
Accrued expenses		315,547		
		<b>56,690,575</b>		
<b>Net Assets (\$)</b>		<b>1,061,905,207</b>		
<b>Composition of Net Assets (\$):</b>				
Paid-in capital		834,044,750		
Accumulated undistributed investment income—net		70,381		
Accumulated net realized gain (loss) on investments		82,926,437		
Accumulated net unrealized appreciation (depreciation) on investments		144,863,639		
<b>Net Assets (\$)</b>		<b>1,061,905,207</b>		
<b>Net Asset Value Per Share</b>				
	Class A	Class C	Class I	Class Y
Net Assets (\$)	501,584,699	54,371,312	489,982,425	15,966,771
Shares Outstanding	15,056,779	1,864,780	14,805,034	481,546
<b>Net Asset Value Per Share (\$)</b>	<b>33.31</b>	<b>29.16</b>	<b>33.10</b>	<b>33.16</b>

See notes to financial statements.

# STATEMENT OF OPERATIONS

Six Months Ended February 28, 2018 (Unaudited)

<b>Investment Income (\$):</b>	
<b>Income:</b>	
Cash dividends:	
Unaffiliated issuers	5,863,285
Affiliated issuers	31,450
Income from securities lending—Note 1(b)	16,008
<b>Total Income</b>	<b>5,910,743</b>
<b>Expenses:</b>	
Management fee—Note 3(a)	4,092,538
Shareholder servicing costs—Note 3(c)	1,308,919
Distribution fees—Note 3(b)	223,307
Custodian fees—Note 3(c)	44,398
Professional fees	41,850
Directors' fees and expenses—Note 3(d)	39,684
Registration fees	36,741
Prospectus and shareholders' reports	26,891
Loan commitment fees—Note 2	10,311
Interest expense—Note 2	515
Miscellaneous	15,896
<b>Total Expenses</b>	<b>5,841,050</b>
Less—reduction in fees due to earnings credits—Note 3(c)	(5,617)
<b>Net Expenses</b>	<b>5,835,433</b>
<b>Investment Income—Net</b>	<b>75,310</b>
<b>Realized and Unrealized Gain (Loss) on Investments—Note 4 (\$):</b>	
Net realized gain (loss) on investments	126,232,453
Net unrealized appreciation (depreciation) on investments	(21,714,565)
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>	<b>104,517,888</b>
<b>Net Increase in Net Assets Resulting from Operations</b>	<b>104,593,198</b>

*See notes to financial statements.*

## STATEMENT OF CHANGES IN NET ASSETS

	Six Months Ended February 28, 2018 (Unaudited)	Year Ended August 31, 2017
<b>Operations (\$):</b>		
Investment income—net	75,310	2,218,030
Net realized gain (loss) on investments	126,232,453	135,298,858
Net unrealized appreciation (depreciation) on investments	(21,714,565)	31,898,736
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<b>104,593,198</b>	<b>169,415,624</b>
<b>Distributions to Shareholders from (\$):</b>		
Investment income—net:		
Class A	-	(150,447)
Class I	(2,056,470)	(1,718,638)
Class Y	(63,829)	(41,145)
Net realized gain on investments:		
Class A	(61,344,461)	(34,720,829)
Class C	(8,165,849)	(3,672,816)
Class I	(61,702,573)	(21,342,132)
Class Y	(1,568,681)	(376,578)
<b>Total Distributions</b>	<b>(134,901,863)</b>	<b>(62,022,585)</b>
<b>Capital Stock Transactions (\$):</b>		
Net proceeds from shares sold:		
Class A	29,952,851	75,094,482
Class C	2,983,383	6,613,135
Class I	47,357,722	284,476,355
Class Y	6,697,574	6,198,203
Distributions reinvested:		
Class A	55,122,743	32,052,598
Class C	7,103,712	3,049,663
Class I	61,433,976	22,018,042
Class Y	1,270,068	312,777
Cost of shares redeemed:		
Class A	(80,445,355)	(452,533,679)
Class C	(15,739,281)	(28,803,314)
Class I	(106,285,300)	(340,780,615)
Class Y	(565,274)	(15,338,617)
<b>Increase (Decrease) in Net Assets from Capital Stock Transactions</b>	<b>8,886,819</b>	<b>(407,640,970)</b>
<b>Total Increase (Decrease) in Net Assets</b>	<b>(21,421,846)</b>	<b>(300,247,931)</b>
<b>Net Assets (\$):</b>		
Beginning of Period	1,083,327,053	1,383,574,984
<b>End of Period</b>	<b>1,061,905,207</b>	<b>1,083,327,053</b>
Undistributed investment income—net	70,381	2,115,370

STATEMENT OF CHANGES IN NET ASSETS (continued)

	Six Months Ended February 28, 2018 (Unaudited)	Year Ended August 31, 2017
<b>Capital Share Transactions (Shares):</b>		
<b>Class A<sup>a</sup></b>		
Shares sold	873,815	2,248,398
Shares issued for distributions reinvested	1,676,482	966,313
Shares redeemed	(2,324,679)	(13,502,201)
<b>Net Increase (Decrease) in Shares Outstanding</b>	<b>225,618</b>	<b>(10,287,490)</b>
<b>Class C<sup>a,b</sup></b>		
Shares sold	98,637	218,979
Shares issued for distributions reinvested	246,485	102,372
Shares redeemed	(519,792)	(963,162)
<b>Net Increase (Decrease) in Shares Outstanding</b>	<b>(174,670)</b>	<b>(641,811)</b>
<b>Class I<sup>b</sup></b>		
Shares sold	1,379,006	8,483,733
Shares issued for distributions reinvested	1,881,592	667,011
Shares redeemed	(3,100,221)	(10,075,991)
<b>Net Increase (Decrease) in Shares Outstanding</b>	<b>160,377</b>	<b>(925,247)</b>
<b>Class Y</b>		
Shares sold	192,908	186,843
Shares issued for distributions reinvested	38,840	9,464
Shares redeemed	(16,279)	(475,970)
<b>Net Increase (Decrease) in Shares Outstanding</b>	<b>215,469</b>	<b>(279,663)</b>

<sup>a</sup> During the period ended February 28, 2018, 8,391 Class C shares representing \$241,754 were automatically converted to 7,357 Class A shares.

<sup>b</sup> During the period ended August 31, 2017, 348 Class C shares representing \$10,555 were exchanged for 313 Class I 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	Year Ended August 31,				
	February 28, 2018 (Unaudited)	2017	2016	2015	2014	2013
<b>Per Share Data (\$):</b>						
Net asset value, beginning of period	34.37	31.72	36.97	43.17	38.27	29.47
Investment Operations:						
Investment income (loss)—net <sup>a</sup>	(.01)	.03	.03	(.02)	.05	.03
Net realized and unrealized gain (loss) on investments	3.32	4.13	.82	(1.79)	9.10	8.83
Total from Investment Operations	3.31	4.16	.85	(1.81)	9.15	8.86
Distributions:						
Dividends from investment income—net	-	(.01)	-	(.05)	-	(.06)
Dividends from net realized gain on investments	(4.37)	(1.50)	(6.10)	(4.34)	(4.25)	-
Total Distributions	(4.37)	(1.51)	(6.10)	(4.39)	(4.25)	(.06)
Net asset value, end of period	33.31	34.37	31.72	36.97	43.17	38.27
<b>Total Return (%)<sup>b</sup></b>	9.81 <sup>c</sup>	13.28	3.95	(4.72)	25.32	30.11
<b>Ratios/Supplemental Data (%):</b>						
Ratio of total expenses to average net assets	1.16 <sup>d</sup>	1.17	1.21	1.18	1.15	1.18
Ratio of net expenses to average net assets	1.16 <sup>d</sup>	1.17	1.21	1.18	1.15	1.18
Ratio of net investment income (loss) to average net assets	(.08) <sup>d</sup>	.10	.11	(.05)	.12	.08
Portfolio Turnover Rate	58.74 <sup>c</sup>	104.51	101.68	74.05	67.49	91.31
Net Assets, end of period (\$ x 1,000)	501,585	509,761	796,686	1,071,713	1,417,535	1,079,346

<sup>a</sup> Based on average shares outstanding.

<sup>b</sup> Exclusive of sales charge.

<sup>c</sup> Not annualized.

<sup>d</sup> Annualized.

See notes to financial statements.

FINANCIAL HIGHLIGHTS (continued)

Class C Shares	Six Months Ended	Year Ended August 31,				
	February 28, 2018 (Unaudited)	2017	2016	2015	2014	2013
<b>Per Share Data (\$):</b>						
Net asset value, beginning of period	30.70	28.68	34.26	40.55	36.44	28.22
Investment Operations:						
Investment (loss)—net <sup>a</sup>	(.13)	(.19)	(.18)	(.29)	(.26)	(.24)
Net realized and unrealized gain (loss) on investments	2.96	3.71	.70	(1.66)	8.62	8.46
Total from Investment Operations	2.83	3.52	.52	(1.95)	8.36	8.22
Distributions:						
Dividends from net realized gain on investments	(4.37)	(1.50)	(6.10)	(4.34)	(4.25)	-
Net asset value, end of period	29.16	30.70	28.68	34.26	40.55	36.44
<b>Total Return (%)<sup>b</sup></b>	9.40 <sup>c</sup>	12.44	3.19	(5.41)	24.35	29.13
<b>Ratios/Supplemental Data (%):</b>						
Ratio of total expenses to average net assets	1.92 <sup>d</sup>	1.92	1.94	1.90	1.92	1.97
Ratio of net expenses to average net assets	1.92 <sup>d</sup>	1.92	1.94	1.90	1.92	1.97
Ratio of net investment (loss) to average net assets	(.84) <sup>d</sup>	(.65)	(.62)	(.77)	(.66)	(.72)
Portfolio Turnover Rate	58.74 <sup>c</sup>	104.51	101.68	74.05	67.49	91.31
Net Assets, end of period (\$ x 1,000)	54,371	62,608	76,886	116,683	114,179	46,708

<sup>a</sup> Based on average shares outstanding.

<sup>b</sup> Exclusive of sales charge.

<sup>c</sup> Not annualized.

<sup>d</sup> Annualized.

See notes to financial statements.

Class I Shares	Six Months Ended February 28, 2018	Year Ended August 31,				
	(Unaudited)	2017	2016	2015	2014	2013
<b>Per Share Data (\$):</b>						
Net asset value, beginning of period	34.27	31.64	36.83	43.01	38.12	29.38
Investment Operations:						
Investment income—net <sup>a</sup>	.03	.14	.12	.09	.15	.10
Net realized and unrealized gain (loss) on investments	3.32	4.11	.81	(1.78)	9.07	8.77
Total from Investment Operations	3.35	4.25	.93	(1.69)	9.22	8.87
Distributions:						
Dividends from investment income—net	(.15)	(.12)	(.02)	(.15)	(.08)	(.13)
Dividends from net realized gain on investments	(4.37)	(1.50)	(6.10)	(4.34)	(4.25)	-
Total Distributions	(4.52)	(1.62)	(6.12)	(4.49)	(4.33)	(.13)
Net asset value, end of period	33.10	34.27	31.64	36.83	43.01	38.12
<b>Total Return (%)</b>	9.96 <sup>b</sup>	13.63	4.23	(4.43)	25.62	30.26
<b>Ratios/Supplemental Data (%):</b>						
Ratio of total expenses to average net assets	.89 <sup>c</sup>	.90	.90	.89	.90	.97
Ratio of net expenses to average net assets	.89 <sup>c</sup>	.90	.90	.89	.90	.97
Ratio of net investment income to average net assets	.20 <sup>c</sup>	.42	.39	.22	.37	.27
Portfolio Turnover Rate	58.74 <sup>b</sup>	104.51	101.68	74.05	67.49	91.31
Net Assets, end of period (\$ x 1,000)	489,982	501,821	492,694	913,852	1,282,578	856,830

<sup>a</sup> Based on average shares outstanding.

<sup>b</sup> Not annualized.

<sup>c</sup> Annualized.

See notes to financial statements.

FINANCIAL HIGHLIGHTS (continued)

Class Y Shares	Six Months Ended	Year Ended August 31,				
	February 28, 2018 (Unaudited)	2017	2016	2015	2014	2013 <sup>a</sup>
<b>Per Share Data (\$):</b>						
Net asset value, beginning of period	34.34	31.72	36.93	43.12	38.12	37.48
Investment Operations:						
Investment income—net <sup>b</sup>	.05	.15	.16	.13	.19	.02
Net realized and unrealized gain (loss) on investments	3.32	4.13	.83	(1.78)	9.17	.62
Total from Investment Operations	3.37	4.28	.99	(1.65)	9.36	.64
Distributions:						
Dividends from investment income—net	(.18)	(.16)	(.10)	(.20)	(.11)	-
Dividends from net realized gain on investments	(4.37)	(1.50)	(6.10)	(4.34)	(4.25)	-
Total Distributions	(4.55)	(1.66)	(6.20)	(4.54)	(4.36)	-
Net asset value, end of period	33.16	34.34	31.72	36.93	43.12	38.12
<b>Total Return (%)</b>	10.01 <sup>c</sup>	13.71	4.40	(4.34)	26.02	1.74 <sup>c</sup>
<b>Ratios/Supplemental Data (%):</b>						
Ratio of total expenses to average net assets	.80 <sup>d</sup>	.80	.78	.80	.83	.80 <sup>d</sup>
Ratio of net expenses to average net assets	.80 <sup>d</sup>	.80	.78	.80	.83	.80 <sup>d</sup>
Ratio of net investment income to average net assets	.32 <sup>d</sup>	.49	.53	.30	.50	.33 <sup>d</sup>
Portfolio Turnover Rate	58.74 <sup>c</sup>	104.51	101.68	74.05	67.49	91.31
Net Assets, end of period (\$ x 1,000)	15,967	9,137	17,308	79,397	25,147	1

<sup>a</sup> From July 1, 2013 (commencement of initial offering) to August 31, 2013.

<sup>b</sup> Based on average shares outstanding.

<sup>c</sup> Not annualized.

<sup>d</sup> Annualized.

See notes to financial statements.

## NOTES TO FINANCIAL STATEMENTS (Unaudited)

### **NOTE 1—Significant Accounting Policies:**

Dreyfus Opportunistic Midcap 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 to surpass the performance of the Russell Midcap® Value Index. 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 (350 million shares authorized), Class C (125 million shares authorized), Class I (125 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:

NOTES TO FINANCIAL STATEMENTS (Unaudited) (continued)

	Level 1 - Unadjusted Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 -Significant Unobservable Inputs	Total
<b>Assets (\$)</b>				
Investments in Securities:				
Equity Securities - Domestic Common Stocks <sup>†</sup>	1,044,176,943	-	-	<b>1,044,176,943</b>
Exchange Traded Funds	7,967,182	-	-	<b>7,967,182</b>
Registered Investment Companies	59,594,029	-	-	<b>59,594,029</b>

<sup>†</sup> 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 \$4,001 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.

The tax character of distributions paid to shareholders during the fiscal year ended August 31, 2017 was as follows: ordinary income \$11,170,930 and long-term capital gains \$50,851,655. 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 \$43,100 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, the management fee is computed at the annual rate of .75% of the value of the fund's average daily net assets and is payable monthly.

During the period ended February 28, 2018, the Distributor retained \$6,794 from commissions earned on sales of the fund's Class A shares and \$4,190 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 \$223,307 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 \$638,276 and \$74,436, 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 \$46,060 for transfer agency services and \$4,261 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 \$4,261.

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 \$44,398 pursuant to the custody agreement. These fees were partially offset by earnings credits of \$1,356.

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 \$618,430, Distribution Plan fees \$31,783, Shareholder Services Plan fees \$108,115, custodian fees \$41,664, Chief Compliance Officer fees \$7,326 and transfer agency fees \$23,504.

(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 \$641,822,317 and \$768,875,071, respectively.

At February 28, 2018, accumulated net unrealized appreciation on investments was \$144,863,639, consisting of \$166,671,954 gross unrealized appreciation and \$21,808,315 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).

## INFORMATION ABOUT THE RENEWAL OF THE FUND'S MANAGEMENT AGREEMENT (Unaudited)

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 the one-, two- and ten-year periods, although below the medians in the other periods (slightly below the medians in the five-year periods). Dreyfus also provided a comparison of the fund's calendar year total returns to the returns of the fund's benchmark index.

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 approximately at the Expense Group median, that the fund's actual management fee was slightly above the Expense Group and Expense Universe medians and that the fund's total expenses were below the Expense Group and Expense Universe medians.

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.

Analysis of Profitability and Economies of Scale. 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 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 stated that a discussion of

INFORMATION ABOUT THE RENEWAL OF THE FUND'S MANAGEMENT AGREEMENT (Unaudited) *(continued)*

economies of scale is predicated on a fund having achieved a substantial size with increasing assets and that, if a fund's assets had been stable or decreasing, the possibility that Dreyfus may have realized any economies of scale would be less. 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 generally 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.

# For More Information

---

## **Dreyfus Opportunistic Midcap Value Fund**

200 Park Avenue  
New York, NY 10166

### **Manager**

The Dreyfus Corporation  
200 Park Avenue  
New York, NY 10166

### **Custodian**

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: DMCVX Class C: DVLGX Class I: DVLIX Class Y: DMCYX

**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](mailto:info@dreyfus.com)

**Internet** Information can be viewed online or downloaded at [www.dreyfus.com](http://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](http://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](http://www.dreyfus.com) and on the SEC's website at [www.sec.gov](http://www.sec.gov) and without charge, upon request, by calling 1-800-DREYFUS.