

CYMBRIA CORPORATION

2008
ANNUAL REPORT

Caution regarding forward-looking statements

This report may contain forward-looking statements about Cymbria, including its strategy, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or negative versions thereof and similar expressions.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about Cymbria and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by Cymbria. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

We stress that the above mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that Cymbria has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report on Fund Performance.

CYMBRIA CORPORATION
2008 ANNUAL REPORT

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Chairman's Letter

The Beginning

In early 2008, Cymbria Corp.'s four founding partners — Tye Bousada, Robert Krembil, Geoff MacDonald, and I, Patrick Farmer — decided to launch our own mutual fund business, convinced that investment advisors and their clients had grown weary of changes that have taken place in the investment management industry. We felt strongly that a portion of the advisor community would welcome a back-to-basics wealth management company with a strong investment culture — a company that would be led by investment professionals rather than sales and marketing people, and whose decisions would be made with investors' best interests in mind. This included launching a simple suite of investment portfolios to meet investors' needs, and most importantly, building strong partnerships with its investment advisors. The idea of EdgePoint Wealth Management ("EdgePoint") was born out of these core beliefs.

Phase One

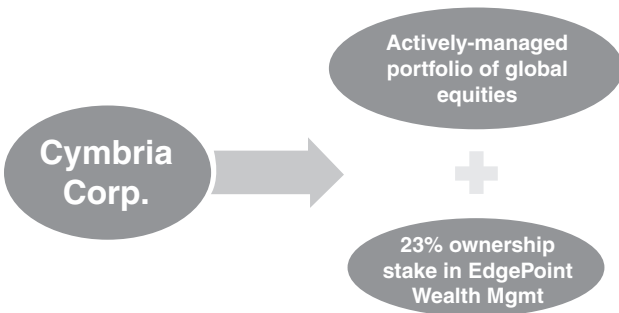
The first step was to raise a permanent pool of capital in an initial public offering called Cymbria. The proceeds would be invested in an actively managed portfolio of global securities, and shareholders would be given the opportunity to own a stake in our wealth management company, EdgePoint. This would allow investors to participate in the future growth of the wealth management business. We presented the Cymbria story to financial advisors on a 35-day, 40-city road show.

Amount of Capital Raised

Gross proceeds raised in the initial public offering ("IPO") and the private placement of class-J shares totalled \$233,909,630. This included gross proceeds of \$12,085,202, which was the result of an over-allotment exercised by BMO Capital Markets on behalf of the syndicate of agents. Cymbria shareholders were granted a 23% stake in EdgePoint. The founders of EdgePoint were pleased with this result for the following reasons: Firstly, the capital was raised in the worst investment climate since the Great Depression; Secondly, given the tough environment, clearly those advisors who believe in the long-term value proposition of Cymbria and EdgePoint supported the IPO. This has created a strong and stable shareholder base of investors who share our enthusiasm for the future.

About Cymbria

Cymbria's investment objective is to provide shareholders with long-term capital appreciation through an investment in an actively-managed portfolio of 20 to 30 global equities and a 23% investment stake in EdgePoint — a wealth management company that offers mutual funds, institutional and other investment products through financial advisors.



Cymbria has the following 3 classes of shares:

- 1) Common voting shares owned by EdgePoint Investment Group
- 2) Class A shares: publically traded on the Toronto Stock Exchange under the symbol CYB
- 3) Class J shares: offered on a private placement basis and convertible into Class A shares

Cymbria's Progress

By year end, a number of milestones were achieved.

- 91% of the proceeds raised in the IPO were invested in a portfolio of global equities. This was close to our goal of being fully invested, which we view as approximately 95%
- The EdgePoint Group of Companies hired 14 employees in Investments, Sales, Operations and Finance. These individuals include: Craig Advice, Sayuri Childs, Mike Dolegowski, Richard Djakovic, Sarah Ford, Nataliya Goreva, Geoff Goss, Mary Gramegna, Olivia Kao, Malcolm King, Sandro Panella, Diane Rossi, Brizia Sequeira and Norman Tang (Feb. 2009)

Phase Two

The next step was the launch of EdgePoint which took place 13 days following the close of Cymbria's IPO. The launch included a second road show, where we presented to over 400 advisors in 14 different cities in just over 9 days.

About EdgePoint Wealth Management

EdgePoint is an independent employee-owned investment management firm based in Toronto which partners with financial advisors across the country to distribute its investment products. It offers mutual funds that are designed with the goal of building long-term wealth for investors. We, the founding members of the firm, Tye Bousada, Robert Krembil, Geoff MacDonald, and I, Patrick Farmer, have proven track records of building wealth for those who have entrusted us with their savings.

We view investment advisors and their investors as our investment partners. To ensure that our partners' interests are best served, the direction of the firm is guided by investment professionals rather than marketers whose goals are to amass assets. As an investment-led organization, we view success as follows:

- Having investment results that are at or near the top of our peer group over a 10-year time frame
- Continuing to be an investment-led organization that has strong relationships with our investment partners (investors and their advisors)
- Creating a culture that inspires our employees to think and act like owners

EdgePoint's Progress

By year end, a number of milestones were achieved.

- On November 17, 2008, EdgePoint launched 4 open-ended mutual funds. Namely: EdgePoint Canadian Portfolio, EdgePoint Canadian Growth and Income Portfolio, EdgePoint Global Portfolio and EdgePoint Global Growth and Income Portfolio
- EdgePoint, in its estimation, had signed dealership agreements with approximately 90% of the financial advisors in Canada to distribute its portfolios
- By December 31st, 2008, EdgePoint had partnered with 101 investment advisor with an average investment in EdgePoint Portfolios of approximately \$420,000 per advisor.

Thank you very much for your support. I know I speak for the entire EdgePoint team when I say we look forward to building long-term wealth for our shareholders.

Sincerely,



Patrick Farmer
Chairman, Cymbria Corp.

To learn more about Cymbria and EdgePoint Wealth Management, please visit our website at www.edgepointwealth.com.

CEO's Letter

Welcome to Cymbria. As our first letter to you, our shareholders, we thought we would begin by outlining our financial objective, which is to build shareholder value through strong share price appreciation over the long term — a goal that we do not feel is easy to attain. To help us achieve this goal, we are focused on three specific areas. The first is to ensure that Cymbria has a structure that is “organized to perform”. The second is to adhere to a proven investment approach in the management of the capital to which Cymbria has been entrusted. The third priority is to ensure management’s interests are aligned with yours’, our shareholders.

Part 1 — THE STRUCTURE

Let’s start with how Cymbria is a structure that is “organized to perform”. The thinking behind Cymbria was born out of the belief that the structure of the investment vehicle is an important component of long-term results. The most astute investor in the world can look sub-par if s/he picks the wrong investment structure. For example, consider the typical hedge fund which charges an annual fee of 2% plus a 20% performance fee (a fee on investment gains). These fees represent a massive headwind to performance (an understatement), especially when compounded over long periods of time. With the benefit of this knowledge, we made every effort to design Cymbria with attributes which we believe will be tailwinds to performance over time. These tailwinds include lower-than-average fees compared to a typical global investment fund, the potential for Cymbria to receive annual dividends from EdgePoint Wealth Management (EdgePoint), the ascribed value of EdgePoint inside Cymbria, and finally the potential for Cymbria to buy its shares back if it makes financial sense. Over time, we look forward to these “tailwinds” contributing to value creation within Cymbria.

Part 2 — THE INVESTMENT APPROACH

The second component to building meaningful shareholder value over time stems from our investment approach. While a sound investment approach is important at all times, we believe it has never been as important as it is today. Our approach is grounded on being long-term investors in businesses. We view a stock as an ownership interest in a high-quality business and we endeavour to acquire these businesses at prices below our assessment of their true worth. We believe the best way to buy a business at an attractive price is to have an idea that is not widely shared by others — what we refer to as a “proprietary insight”. We look for businesses that have long-term growth prospects, defensible barriers to entry, and are led by trustworthy and competent management teams.

How do we come up with our investment ideas?

We do the research you would expect us to do. We typically follow companies for years before making an initial investment. We study the company’s financial statements, interact regularly with different levels of the company’s management team, perform competitive industry analysis, attend industry-specific conferences, consult with industry experts, and read volumes of information about the company, its competitors, and the industry in which it competes. At times, we are able to connect various pieces of information into an idea that is generally not understood by others.

“Value” or “Growth”?

We only invest in an idea when we can buy an interest in a business below our assessment of its value. By this definition, we are considered “value” investors. However, we also invest in businesses that are able to grow their value over time. This, by definition, makes us “growth” investors. In a nutshell, we buy “growth” companies at “value” prices.

What is our investment time horizon?

We are long-term investors in businesses. Generally, our investments reflect our view of prospects looking out more than 3 years. Focusing on longer time periods enables us to develop views that are often not reflected in the current stock prices of the businesses we are studying. Fortunately for us, most market participants focus on the short term. Specifically: what has just happened, what's currently happening, and what is just about to happen. This creates opportunity for Cymbria to add value by focusing on the longer term.

When do we sell a business?

We will generally sell a security for one of two reasons. The first reason is if our thesis about the business is no longer valid. The second reason is a result of the constant culling process we undertake to continuously upgrade the quality of Cymbria with better ideas. For example, if one of our ideas becomes well recognized and this is reflected in its share price, the company is removed in favour of a more attractive opportunity.

How do we blend conviction with caution?

We invest with conviction, and as a result, Cymbria is concentrated in our best ideas. This concentration allows each idea to have a meaningful impact on returns when the market recognizes our estimate of value.

Furthermore, holding a smaller number of businesses allows us to have more in-depth knowledge about the companies. Thoroughly understanding a company helps to reduce the potential risk of an investment.

While Cymbria is concentrated, it is diversified by business idea. Each investment is based on a proprietary idea that is well researched. We make every effort to ensure that the collection of businesses in Cymbria is not based on the same or similar ideas. Our goal is for Cymbria to be concentrated while being properly diversified.

How do we approach risk?

Investment success is most often measured by investment returns. We believe most investors tend to focus almost exclusively on returns, yet neglect to ask what kind of risk was taken to achieve the return. When we make an investment, however, we weigh its risks versus the potential return.

We view risk as the potential for permanent loss of capital. In an old-fashioned approach to risk, we ask "how much money can we lose and what is the probability of that loss?" We focus on company-specific risks such as increased competition, management competence, profitability compression, and the underlying valuation of the business relative to our assessment of its true worth. Noticeably absent from our definition of risk is the volatility of a company's share price relative to the market. We do not believe volatility is risk.

The world today

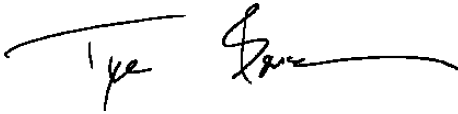
Armed with this approach and facing a market that has taken valuations down across the board, how are we deploying your capital? The answer is in a measured and disciplined fashion. We are focusing on businesses that will not only be "survivors" but can potentially grow in the face of what could be a very tough economy for the next three to five years. We have shied away from businesses that have a material amount of leverage. We are not, however, buying stakes in companies that have historically been recognized as recession-resistant businesses such as pharmaceutical, telecommunications, and packaged-goods companies. Rather, we are finding better relative value elsewhere. We believe that the global capital markets have experienced a "once in a generation" type of market decline, and we feel this sell off has presented us with notable opportunities to materially build wealth for shareholders over the long term.

Part 3 — ALIGNING INTERESTS

The final point to address is how management’s interest is aligned with yours. We believe that in order for Cymbria to be successful, we must be your partner in ownership. As such, the founders of Cymbria have invested along with you and are, collectively, Cymbria’s largest investors. We believe there is no better way of aligning our interest with yours, and as such, we would have it no other way.

We thank you for your confidence and look forward to the opportunity to build wealth for you over the long term.

Sincerely,



Tye Bousada, Co-CEO, Cymbria Corp.
Portfolio Manager, EdgePoint Investment
Management Inc.



Geoff MacDonald, Co-CEO, Cymbria Corp.
Portfolio Manager, EdgePoint Investment
Management Inc.

Cymbria Corp.
Annual Management Report of Fund Performance
For the period November 4, 2008 to December 31, 2008

This document contains the annual Management Report of Fund Performance (MRFP) with financial highlights. The complete annual financial statements of Cymbria are also included at the end of this document. You may also obtain a copy of these separate documents at your request, and at no cost, by calling toll-free 1-866-757-7207, by writing to us at EdgePoint Investment Group Inc., 1000 Yonge Street, Suite 200, Toronto, ON, M4W 2K2, by visiting our website at www.edgepointwealth.com or the SEDAR website, at www.sedar.com.

Similarly, shareholders can obtain a copy of Cymbria's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure relating to Cymbria.

Every effort has been made to ensure that the information contained in this report is accurate as of December 31, 2008; however, Cymbria cannot guarantee that accuracy or the completeness of this material. Please refer to Cymbria's prospectus and audited annual financial statements for more information.

For Cymbria's current and historical net asset values, please visit our website at www.edgepointwealth.com.

Cymbria Corp.
Annual Management Report of Fund Performance
For the period November 4, 2008 to December 31, 2008

Management Discussion of Fund Performance

This Management Discussion of Fund Performance presents views of the portfolio management team about the significant factors and developments during the period since inception that have affected Cymbria Corp.'s performance and outlook.

Please read the caution regarding forward-looking statements located on the first page of this document.

Investment Objectives and Strategies

Cymbria Corp. ("Cymbria") seeks to provide long-term capital appreciation through an actively managed portfolio comprised primarily of global equity securities and an investment in EdgePoint Wealth Management Inc. We (the portfolio management team) invest in companies that have strong competitive positions, long-term growth prospects, and are run by strong management teams. We acquire ownership stakes in these companies at prices below our assessment of each company's true value.

We are long-term investors with an investment horizon of greater than 3 years. We believe that the best way to buy a business at an attractive price is to have an idea that is not widely shared by others — what we refer to as a "proprietary insight".

Our approach is deceptively simple. We buy good, undervalued businesses and hold them until the market fully recognizes their potential. Following this approach requires an ability to think independently and a commitment to embrace the thorough research that is required to uncover opportunities the market doesn't fully appreciate.

Risk

We believe risk is best managed by applying in-depth thorough research to each investment idea in order to understand the risks of the individual business and this is weighted against its return potential.

The overall risks of investing in Cymbria remain as discussed in the Prospectus. There are several types of risks that an investor faces when investing in Cymbria. These include, but are not limited to:

Concentration risk

Concentration risk can occur by holding a small number of investments which may reduce the diversification and liquidity of the portfolio of investments. We invest with conviction, and as a result, our holdings are concentrated in our best ideas. This concentration allows individual portfolio holdings to have a meaningful impact on returns. It also allows us to have more in-depth knowledge about each company we own, a key element in reducing the potential risk of an investment. As at December 31, 2008, Cymbria was diversified into 27 different business ideas.

Currency risk

Cymbria is valued in Canadian dollars however it invests in foreign securities that are denominated in foreign currencies. We may employ currency hedging to reduce the impact of currency fluctuations. As at December 31, 2008, Cymbria did not have any exposure to currency derivatives.

The overall risk level of the investment is moderate and is appropriate for investors with a long-term time horizon.

Results of Operations from November 4, 2008 to December 31, 2008

In the short period of time since Cymbria's inception on November 4, 2008, we have built a diversified portfolio representing our best investment ideas. We have deployed capital in a measured and disciplined fashion focusing on businesses that will not only be "survivors" but can potentially grow in the face what could be a very tough economy for the next three to five years. We have shied away from businesses that have a material amount of leverage. We are not, however, focusing on companies typically known as recession-

resistant businesses such as pharmaceutical, telecommunications, and packaged-goods companies. Rather, we are finding better relative value elsewhere. We believe that the global capital markets have experienced a “once in a generation” type of market decline, and we feel this sell off has presented us with notable opportunities to materially build wealth for investors over the long term.

An example of a company that we purchased is International Rectifier Corp. The company is a world leader in advanced power-management technology which provides efficiencies in power consumption to products such as consumer electronics, appliances and automobiles. The company has a significant amount of net cash on its balance sheet and we were able to buy this company for less than this amount — a great example of the type of opportunities that are available today.

WellPoint Inc., a leading health-benefits company in the United States, is another example of a company that was purchased. The company provides approximately one in nine Americans with medical care coverage through its affiliated health-care plans. WellPoint charges its members a small fee for its services — a cost which members are willing to incur as the company is more efficient at delivering services than others in the marketplace. We were able to purchase shares of WellPoint at a very attractive price after they had fallen materially on political concerns that the U.S. Democrats would try to reduce the profitability of health-care companies such as WellPoint through legislation. We believe that WellPoint will continue to be part of the solution to the health-care issues faced by the U.S.

Investment Performance

In accordance with Canadian Securities Administrators’ National Instrument 81-102, we are not permitted to discuss investment performance until Cymbria is one-year old. However, our objective of building wealth over time is to deliver investment results that are at or near the top of our peer group over a 10-year time frame.

Recent Developments

We’re excited about the long-term opportunities we are finding in the market to build wealth for our

investors. However our excitement is partially tempered by the short-term challenges the global economy faces. In listening to news reports about the global economic headwinds, one is led to believe that the wheels of commerce have disintegrated and capitalism is dead. For the record, we are not in that camp. However, we do think that the global economy is facing contraction due to personal and corporate deleveraging. Having a sound investment approach is important at all times when it comes to equity investing, however, in our judgement, it is never as important as it is today.

Future Changes in Accounting Policies

The Canadian Accounting Standards Board (“AcSB”) recently confirmed the plan to adopt the International Financial Reporting Standards (“IFRS”) in 2011. All publicly accountable enterprises will be required to implement IFRS for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011.

As at December 31, 2008, we were in the process of developing a changeover plan to meet the timetable published by the Canadian Institute of Chartered Accountants for changeover to IFRS. The key elements of the plan will include disclosures of the qualitative impact in the December 31, 2008, 2009 and 2010 financial statements, disclosures of the quantitative impact, if any, in the December 31, 2010 financial statements and the preparation of the December 31, 2011 financial statements in accordance with IFRS.

Based on our current evaluation of the differences between Canadian GAAP and IFRS, we do not expect that net assets attributable to shareholders or net asset value per share will be impacted by the changeover to IFRS. Currently, we expect that the impact of IFRS on Cymbria’s financial statements will result in additional disclosures and potentially different presentation of shareholder interests and certain other items.

Related Parties

Manager

The Fund is managed by EdgePoint Investment Group Inc. (EdgePoint) which provides (or arranges for) investment management of

Cymbria's net assets. EdgePoint receives a monthly management fee for these services.

In addition, EdgePoint is entitled to be reimbursed by Cymbria for certain operating expenses.

For the period ended December 31, 2008, Cymbria paid EdgePoint management fees of \$71,899, service fees of \$201,140, and reimbursed \$177,970 for costs associated with providing the management services.

Investment Advisor

EdgePoint Investment Management Inc. (Investment Advisor) is the portfolio advisor to Cymbria. The Investment Advisor is entitled to be reimbursed by Cymbria for operating expenses incurred in connection with its duties as the Investment Advisor.

For the period ended December 31, 2008, Cymbria reimbursed \$99,516 for costs of the Investment Advisor.

Financial Highlights

For the period from November 4, 2008 to December 31, 2008

The following tables show selected key financial information about Cymbria and are intended to help you understand Cymbria's financial performance for the period ended December 31, 2008. In the year a fund or class is established, 'period' represents inception to December 31 of that year. In all other cases, 'period' represents year ended December 31. The inception date for Cymbria is November 4, 2008. This information is derived from Cymbria's audited annual financial statements.

Cymbria's Net Assets per Share (\$) (Note 1)

	Class A \$	Class J \$
Net Assets, beginning of the year *	10.00	10.00
Increase (decrease) from operations:		
Total revenue	0.03	0.03
Total expenses	(0.03)	(0.03)
Realized gains (losses) for the year	(0.22)	(0.24)
Unrealized gains (losses) for the year	0.12	0.09
Total increase (decrease) from operations	(0.10)	(0.15)
Net Assets, end of the year	9.47	9.85

* represents initial Net Assets

1. Net Assets per Share is calculated as follows:

(a) The financial information presented in the Net Assets per Share table is derived from Cymbria's audited annual financial statements. The Net Assets per Share presented in the financial statements (the "GAAP Net Assets") differs from the net asset value calculated for fund pricing purposes (the "NAV"). An explanation of the differences can be found in the notes to the financial statements.

(b) Net Assets per Share of a class is based on the number of units outstanding for that class at the relevant time. The Increase (Decrease) from Operations per Share of a class is based on the weighted average number of shares outstanding for that class during the period.

(c) Cymbria's policy is to not pay dividends or distributions to shareholders.

Ratios and Supplemental Data (note 2)

	Class A	Class J
Total net asset value (\$000's)	132,639	90,882
Number of units outstanding (000's)	14,209	9,182
Management expense ratio (note 3) ~	1.94%	1.43%
Management expense ratio before waivers or absorptions ~	1.94%	1.43%
Trading expense ratio (note 4) ~	1.53%	1.53%
Portfolio turnover rate (note 5)	6.81%	6.81%
Net asset value per unit (\$)	9.34	9.90
Closing market price (note 6)	\$ 10.43	N/A

~ annualized

2. The financial information presented in the Ratios and Supplemental Data table is derived from Cymbria's transactional Net Asset Values (the "NAV") and is provided as at December 31, 2008.

3. The management expense ratio ("MER") is calculated as the total management fees and operating expenses paid by each class of Cymbria, including GST and interest and excluding taxes and commissions and other portfolio transaction costs, as a percentage of the average daily Net Asset Value of each series of Cymbria on an annualized basis. The MER calculated above is not indicative of future expense levels. Cymbria incurred certain fixed expenses and accrued year end-related items over a short period of time. The manager expects that the operating expenses used to calculate the MER will be lower in future periods once expenses are spread out over a full year and fixed expenses are not annualized.

4. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value of Cymbria. The trading expense ratio is calculated at Cymbria level and applies to all classes of Cymbria.

5. Portfolio turnover rate is calculated at Cymbria level based on the lesser of purchases or proceeds of sales of securities for the period, excluding cash, short term notes and bonds having maturity dates at acquisition of one year or less, divided by the average value of the portfolio securities for the period.

Cymbria's portfolio turnover rate indicates how actively Cymbria's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to Cymbria buying and selling all of the securities in its portfolio once in the course of the year. The higher a Fund's portfolio turn-over rate in a year, the greater the trading costs payable by Cymbria in the year, and the greater the chance of Cymbria realizing taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

6. Cymbria's Class J shares are not traded on an exchange.

Management Fees

EdgePoint, the Manager, provides or arranges for investment management of Cymbria's net assets.

For these services, EdgePoint will receive a monthly management fee from holders of both Class A and Class J shares at rates that vary by year and by class (see Note 5 of the audited annual financial statements), calculated on the daily net average asset value of the shares, excluding the value of EdgePoint Wealth Management.

EdgePoint charges to the holders of the Class A shares a service fee during the first seven years from the inception date of November 4, 2008 at an annual rate of 1.00% of the aggregate net average asset values of the Class A shares held at the end of each calendar quarter, excluding the value of EdgePoint Wealth Management Inc. After the seventh anniversary from the inception date there will be no service fee.

For the period ended December 31, 2008, approximately 100% of the service fees that Class A shares of Cymbria paid to EdgePoint were used to fund service fees paid to registered dealers whose clients held Class A shares of Cymbria. Investment advisory and management services represented approximately 100% of the management fees paid during the period ended December 31, 2008.

Past Performance

As Cymbria was not in existence for a whole year no performance information is shown at this time.

Summary of Investment Portfolio
As at December 31, 2008

Top 25 Positions

Security Name (% of Fund)	
1	WellPoint Inc. 5.90%
2	Ryanair Holdings PLC 5.87%
3	The Progressive Corp. 5.77%
4	Willis Group Holdings Ltd. 5.27%
5	Grupo Televisa S.A. de C.V., ADR 4.91%
6	International Rectifier Corp. 4.69%
7	Pool Corp. 4.59%
8	Kinetic Concepts Inc. 4.52%
9	Moody's Corp. 4.52%
10	Research In Motion Ltd. 4.44%
11	WPP PLC 4.31%
12	International Game Technology 4.23%
13	Schindler Holding AG 4.04%
14	AMN Healthcare Services Inc. 3.67%
15	Cisco Systems Inc. 3.32%
16	Grupo Modelo S.A.B. de C.V., Series C 3.12%
17	DCC PLC 2.92%
18	BorgWarner Inc. 2.85%
19	American Express Co. 2.63%
20	Sotheby's, 3.125%, due June 15, 2013 2.28%
21	Harman International Industries Inc. 1.90%
22	Hyundai Mobis 1.65%
23	Mine Safety Appliances Co. 1.53%
24	Taiwan Semiconductor Manuf. Co. Ltd. 1.49%
25	TimberWest Forest Trust Units 0.33%
	Total 90.75%

Sector Exposure

Sector (% of Fund)	
Consumer Discretionary†	15.22%
Industrials	14.36%
Health Care	14.09%
Information Technology	13.94%
Insurance	11.04%
Media	9.22%
Cash & Cash Equiv.	8.97%
Diversified Financials	7.28%
Consumer Staples	3.12%
Corporate Bonds	2.28%
Materials	0.33%
Real Estate	0.15%
Total	100.00%
†excludes media companies	

The portfolio does not contain any short positions.
The investment portfolio may change due to ongoing portfolio transactions of the investment fund. An updated listing is available on a quarterly basis.

Cymbria Corporation

Financial Statements

For the Period Ended December 31, 2008

Management's responsibility for financial reporting

The accompanying financial statements have been prepared by the Manager, EdgePoint Investment Group Inc. ("EdgePoint"), on behalf of Cymbria Corporation ("Cymbria"). Management is responsible for the information and representations contained in these financial statements and other sections, collectively referred to as the 2008 Annual Report. Management has maintained appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include certain amounts that are based on estimates and judgements. The significant accounting policies that management believes are appropriate for Cymbria are described in note 2 to the financial statements.

KPMG LLP, the external auditors of Cymbria, has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the Securityholders their opinion on the financial statements. Their report, as auditors, is set forth herein.

The Board of Directors is responsible for reviewing and approving the financial statements of Cymbria, overseeing management's performance of its financial reporting responsibilities, and engaging the independent auditors. The Board of Directors review the financial statements, the adequacy of internal controls, the audit process and financial reporting with management and the external auditors. The Board of Directors is composed of two members who are independent of management. For all share classes of Cymbria, the financial statements have been reviewed and approved by the Board of Directors. The independent auditors have direct and full access to the Board of Directors.



Patrick Farmer
Chairman
March 13, 2009



Norman Tang
Chief Financial Officer
March 13, 2009

Auditors' Report

To the Shareholders of Cymbria Corporation

We have audited the statements of net assets and investments of Cymbria Corporation as at December 31, 2008 and the statements of operations and changes in net assets for the period from November 4, 2008 (date of commencement of operations) to December 31, 2008. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the net assets of the Corporation and the investments held as at December 31, 2008 and the results of its operations and the changes in its net assets for the period from November 4, 2008 (date of commencement of operations) to December 31, 2008 in accordance with Canadian generally accepted accounting principles.

The image shows the handwritten signature of KPMG LLP in black ink. The letters are bold and slanted, with a horizontal line underneath the signature.

Chartered Accountants, Licensed Public Accountants

Toronto, Canada
February 27, 2009

Cymbria Corporation
Statement of Net Assets
As at December 31, 2008

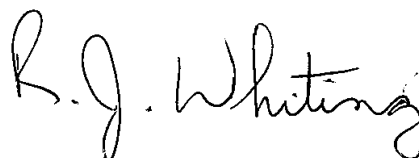
ASSETS	
Investments at fair value*	\$202,294,288
Cash	20,213,165
Accrued interest and dividends receivable	231,242
Future income tax asset	2,676,018
	225,414,713
LIABILITIES	
Accounts payable and accrued expenses	333,359
Share issuance costs payable	58,596
	391,955
NET ASSETS	\$225,022,758
SHAREHOLDERS' EQUITY	
Share capital (note 3)	\$227,853,396
Deficit (note 4)	(4,833,059)
Unrealized gain on investments	2,002,421
	\$225,022,758
SHAREHOLDERS' EQUITY, AS REPRESENTED BY NET ASSETS	
Common stock	\$ 100
Class A	\$134,600,235
Class J	\$ 90,422,423
	\$225,022,758
NUMBER OF SHARES OUTSTANDING (note 3)	
Class A	14,208,502
Class J	9,182,461
NET ASSETS PER SHARE	
Class A	\$ 9.47
Class J	\$ 9.85

* Cost of investments is reflected on the statement of investments.
See accompanying notes to financial statements.

APPROVED ON BEHALF OF THE BOARD



James MacDonald
Director



Richard Whiting
Director

Cymbria Corporation
Statement of Operations
For the period ended December 31, 2008

INCOME	
Dividends	\$ 444,767
Interest	233,130
	<u>677,897</u>
Less: Foreign withholding taxes	(52,589)
	<u>625,308</u>
EXPENSES (note 5)	
Management fees	71,899
Service fees	201,140
Custody and fund accounting	9,136
Legal	634
Audit	26,250
Filing fees	403
Shareholder reporting	6,706
Administration and transfer agent fees	261,644
	<u>577,812</u>
	<u>47,496</u>
NET INVESTMENT INCOME BEFORE TAXES	
INCOME TAXES (note 6)	
Current	—
Future	15,707
	<u>15,707</u>
NET INVESTMENT INCOME	
	31,789
NET REALIZED AND UNREALIZED GAIN (LOSS) AND TRANSACTION COSTS	
Net realized loss on sale of investments and foreign exchange, net of a future tax benefit of \$360,318	(4,354,082)
Transaction costs	(510,766)
Net change in unrealized appreciation of investments, net of a future tax liability of \$360,318	<u>2,002,421</u>
Net loss on investments	<u>(2,862,427)</u>
DECREASE IN NET ASSETS FROM OPERATIONS	
	\$(2,830,638)
DECREASE IN NET ASSETS FROM OPERATIONS	
Class A	\$(1,428,451)
Class J	\$(1,402,187)
	<u>\$(2,830,638)</u>
DECREASE IN NET ASSETS FROM OPERATIONS, PER SHARE	
Class A	\$ (0.10)
Class J	\$ (0.15)

See accompanying notes to financial statements.

Cymbria Corporation
Statement of Changes in Net Assets
For the period ended December 31, 2008

CLASS A

NET ASSETS, beginning of the period	\$ —
Decrease in net assets from operations	(1,428,451)
Capital transactions	
Proceeds from issue of units	142,085,020
Share issuance costs	(8,748,059)
Future tax benefit of share issuance costs	<u>2,691,725</u>
Increase in net assets for the period	<u>134,600,235</u>
NET ASSETS, end of the period	<u>\$134,600,235</u>

CLASS J

NET ASSETS, beginning of the period	\$ —
Decrease in net assets from operations	(1,402,187)
Capital transactions	
Proceeds from issue of units	<u>91,824,610</u>
Increase in net assets for the period	<u>90,422,423</u>
NET ASSETS, end of the period	<u>\$ 90,422,423</u>

See accompanying notes to financial statements.

Cymbria Corporation
Statement of Investments
As at December 31, 2008

Number of Shares or Units	Security	Average Cost (\$)	Fair Value (\$)	% of Net Assets
Equities				
256,700	WellPoint Inc.	11,787,846	13,180,706	5.86
370,300	Ryanair Holdings PLC ADR	10,827,640	13,128,613	5.83
715,000	The Progressive Corp.	11,521,220	12,897,014	5.73
388,300	Willis Group Holdings Ltd.	12,085,510	11,750,748	5.22
603,000	Grupo Televisa S.A. de C.V., ADR	12,548,699	10,957,623	4.87
637,400	International Rectifier Corp.	9,013,010	10,448,544	4.64
468,000	Pool Corp.	8,993,235	10,130,018	4.50
412,660	Moody's Corp.	9,300,837	10,104,009	4.49
432,500	Kinetic Concepts Inc.	13,051,159	10,078,489	4.48
200,500	Research in Motion Ltd.	11,230,250	9,860,055	4.38
1,343,700	WPP PLC	9,872,978	9,500,426	4.22
652,500	International Game Technology	8,634,187	9,447,532	4.20
163,336	Schindler Holding AG	8,277,142	8,722,108	3.88
795,500	AMN Healthcare Services Inc.	8,806,388	8,211,926	3.65
373,800	Cisco Systems Inc.	7,679,777	7,371,218	3.28
1,799,400	Grupo Modelo S.A.B. de C.V., Series C	6,546,165	6,716,066	2.98
371,564	DCC PLC	6,998,349	6,468,821	2.87
240,000	BorgWarner Inc.	5,140,080	6,347,349	2.82
260,000	American Express Co.	8,051,843	5,884,461	2.62
208,300	Harman International Industries Inc.	3,654,552	4,244,700	1.89
60,000	Hyundai Mobis	4,352,919	3,679,014	1.63
117,700	Mine Safety Appliances Co.	3,383,798	3,398,310	1.51
345,000	Taiwan Semiconductor Manufacturing Co. Ltd. ADR	3,315,709	3,321,755	1.48
210,000	TimberWest Forest Trust Units	633,150	735,000	0.33
20,000	FirstService Corp., 7.00%, cum. pref., Series 1	358,996	341,255	0.15
279,585	EdgePoint Wealth Management Inc.	279,585	279,585	0.12
		196,345,024	197,205,345	87.64
Face Value				
Fixed Income				
6,417,000	Sotheby's 3.125% conv. debentures, June 15, 2013	4,057,800	5,088,943	2.26
	Adjustment for transaction costs	(471,275)	—	—
	Total Investments	199,931,549	202,294,288	89.90
	Other Assets less Liabilities		22,728,470	10.10
	NET ASSETS		225,022,758	100.00

See accompanying notes to financial statements.

Cymbria Corporation
Notes to the Financial Statements
For the period ended December 31, 2008

1. The Fund

- (a) Cymbria Corporation (“Cymbria”) is a closed-end equity fund incorporated on September 4, 2008 under the laws of the Province of Ontario. It commenced operations and was listed on the Toronto Stock Exchange on November 4, 2008. EdgePoint Investment Group Inc. is the Manager of Cymbria, and EdgePoint Investment Management Inc. is the Investment Advisor.
- (b) The financial statements of Cymbria include the statement of investments and the statement of net assets at December 31, 2008 and the statement of operations and the statement of changes in net assets for the period from November 4, 2008 to December 31, 2008.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (“GAAP”), and reflect the following policies:

- (a) Accounting estimates
The preparation of financial statements in accordance with Canadian GAAP requires management to make estimates and assumptions that affect the amount reported in the financial statements. Actual results could differ from those estimates.
- (b) Valuation of investments
Investments are categorized as held for trading and are therefore recorded at fair value. Investments in securities listed on a public securities exchange or traded on an over-the-counter market are valued at the closing bid price. Securities with no available closing bid prices are valued at the last sale or close price. Unlisted or non-exchange traded securities, or securities for which a closing bid price or last sale or close price are unavailable or securities for which market quotations are, in the Manager’s opinion, inaccurate, unreliable or not reflective of all available

material information, are valued at their estimated fair value as determined by the Manager using available sources of information and commonly accepted industry valuation techniques including valuation models.

For the purpose of calculating the Net Asset Value (Note 10), the investment in EdgePoint Wealth Management Inc., for which no published market exists, will be valued at the lesser of cost and the most recent value at which such securities have been exchanged in an arm’s length transaction which approximates a trade effected in a published market, unless a different fair market value is determined to be appropriate by the Manager.

Short-term investments, including short-term debt instruments maturing within less than 90 days from the date of acquisition, are deemed to be held for trading and therefore stated at fair value, using amortized cost which approximates fair value.

- (c) Valuation of foreign exchange contracts
Cymbria may enter into foreign exchange contracts for hedging purposes or to establish an exposure to a particular currency. Foreign exchange contracts are valued based on the difference between the contract forward rate and the forward bid rate (for currency held) and the forward ask rate (for currency sold short), on valuation date. Upon closing of a contract, the gain or loss is included in “Net realized gain (loss) on sale of investments.”
- (d) Cash
Cash is cash on deposit and is carried at cost which approximates their fair value.
- (e) Other assets and liabilities
Accrued interest and dividends receivable are designated as receivables and shown as other assets. They are recorded at amortized cost which approximates their fair value. Similarly, accounts payable and accrued expenses are designated as financial liabilities and reported

Cymbria Corporation
Notes to the Financial Statements (Continued)
For the period ended December 31, 2008

at amortized cost which approximates their fair value.

(f) Investment transactions and income recognition

All income, net realized and unrealized gains (losses), and transaction costs are attributable to investments and derivatives that are deemed held for trading. Investment transactions are accounted for on the trade date, that is, on the day that a buy or sell order is executed. The cost of investments represents the amount paid for each security, and is determined on an average cost basis excluding transaction costs. Realized gains and losses on investment transactions are computed as proceeds of disposition less their average cost. The unrealized appreciation or depreciation of investments represents the difference between their average cost and fair value at the period end date. Dividend income, including stock dividends, is recorded on the ex-dividend date along with withholding taxes on foreign dividends, if any, and interest income is recorded daily on an accrual basis.

Income, expenses other than management and service fees, and realized and unrealized capital gain (loss) are distributed amongst the different classes of securities in proportion to the amount of equity invested in them. For management and service fees, refer to note 5.

(g) Transaction costs

Transactions costs, such as brokerage commissions incurred in the purchase and sale of portfolio securities and other trade execution costs paid to external third parties, such as stamp duty and exchange fees, are recognized as expenses in the Statement of Operations based on trade date.

(h) Translation of foreign currencies

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated into Canadian dollars at the rate of exchange prevailing on each business day, except for the historical costs of investments, which are translated at

the rate of exchange prevailing on the date of purchase. The proceeds from sale of investments and dividend and interest income in foreign currencies are translated into Canadian dollars at the approximate rate of exchange prevailing on the dates of such transactions. Gains and losses from transactions in and the translation of foreign currencies are considered to be investment transactions and accordingly, are included in the net realized gain or loss on sale of investments.

(i) Future income taxes

Cymbria accounts for income taxes using the asset and liability method. Future income tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities and measured using tax rates expected to apply to taxable income in the years in which the temporary differences are expected to reverse.

(j) Increase (decrease) in Net Assets from operations per share

Increase (decrease) in Net Assets from operations per share in the Statements of Operations represents the net increase (decrease) in the Net Assets from operations for the periods for each class divided by the average shares outstanding for each class during the period.

(k) Future changes in accounting policies

The Canadian Accounting Standards Board ("AcSB") recently confirmed the plan to adopt the International Financial Reporting Standards ("IFRS") in 2011. All publicly accountable enterprises will be required to implement IFRS for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011.

As at December 31, 2008 the Manager was in the process of developing a changeover plan to meet the timetable published by the Canadian Institute of Chartered Accountants for changeover to IFRS. The key elements of the plan will include disclosures of the qualitative

Cymbria Corporation
Notes to the Financial Statements (Continued)
For the period ended December 31, 2008

impact in the December 31, 2008, 2009 and 2010 financial statements, disclosures of the quantitative impact, if any, in the December 31, 2010 financial statements and the preparation of the December 31, 2011 financial statements in accordance with IFRS.

Based on the Manager's current evaluation of the differences between Canadian GAAP and IFRS, the Manager does not expect that net assets attributable to shareholders or net assets per share will be impacted by the changeover to IFRS. Currently, the Manager expects that the impact of IFRS on Cymbria's financial statements will result in additional disclosures and potentially different presentation of shareholder interests and certain other items.

3. Share Capital

Share capital consists of the following:

Authorized

Unlimited number of common shares
 Unlimited number of Class A non-voting, non-redeemable shares
 Unlimited number of Class J non-voting, non-redeemable shares

Issued	Number of shares	Amount
Common shares	100	\$ 100
Class A shares	14,208,502	142,085,020
Share issuance costs		(8,748,059)
Future tax impact of share issuance costs		2,691,725
		<u>136,028,686</u>
Class J shares	9,182,461	<u>91,824,610</u>
Total		<u>\$227,853,396</u>

(a) On incorporation on September 4, 2008, Cymbria issued 100 common shares to the Manager who is the principal shareholder of Cymbria. The holders of the common shares are not entitled to receive dividends but are

entitled to one vote per share. The common shares are redeemable and retractable at a price of \$1 per share. The common shares are subject to an escrow agreement under which none of the common shares may be disposed of or dealt with in any manner until all of the Class J shares have been retracted.

(b) On November 4, 2008, Cymbria completed a prospectus offering of 13,000,000 Class A shares at a price of \$10 per share for gross proceeds of \$130,000,000. The Class A shares are listed on the Toronto Stock Exchange.

In connection with the offering, the syndicate of agents for the offering was granted the option to purchase, within 30 days of the completion of the offering up to an additional 15% of the aggregate number of Class A shares at a price of \$10 per share. On December 1, 2008, the agents exercised the over-allotment option to purchase 1,208,502 shares for gross proceeds of \$12,085,020.

Share issuance costs of \$1,288,595 were deducted from the gross share capital proceeds in addition to the agent fees of \$6,825,000 on the offering and \$634,464 on the over-allotment option.

(c) On November 4, 2008, Cymbria issued 9,182,461 Class J shares on a private placement basis at \$10 per share for gross proceeds of \$91,824,610. The Class J shares are not listed on any stock exchange. Class J shares may be exchanged for Class A shares beginning 120 days after the private placement at an exchange ratio determined by dividing the Net Asset Value per Class J share by the Net Asset Value per Class A share.

(d) The Manager manages the capital of Cymbria, which consists of the net assets of Cymbria, in accordance with the investment objectives set out in Cymbria's prospectus.

Cymbria Corporation
Notes to the Financial Statements (Continued)
For the period ended December 31, 2008

4. Retained Earnings (Deficit)

The changes in retained earnings (deficit) for the period were as follows:

Retained earnings, beginning of period	\$ —
Net investment income	31,789
Net realized loss on investments and foreign exchange, net of transaction costs	<u>(4,864,848)</u>
Deficit, end of period	<u><u>\$(4,833,059)</u></u>

5. Management and Service Fees and Expenses

No management fee is charged to the holders of the Class A shares during the first three years from the inception date of November 4, 2008. In years 4 through 7 the Manager will charge a management fee at an annual rate of 0.75% of the daily net average asset values of the Class A shares, excluding the value of EdgePoint Wealth Management Inc., and in year 8 and thereafter will charge a management fee at an annual rate of 1.00% of the daily net average asset values of the Class A shares, excluding the value of EdgePoint Wealth Management Inc.

The Manager charges to the holders of the Class A shares a service fee during the first seven years from the inception date of November 4, 2008 at an annual rate of 1.00% of the aggregate net average asset values of the Class A shares held at the end of each calendar quarter, excluding the value of EdgePoint Wealth Management Inc. After the seventh anniversary from the inception date there will be no service fee.

The Manager charges the holders of the Class J shares of Cymbria a monthly management fee at an annual rate of 0.5% of the daily net average asset values of the Class J shares, excluding the value of EdgePoint Wealth Management Inc.

Cymbria is also responsible for various expenses relating to its operation. These expenses include taxes (including income,

capital and goods and services taxes), accounting, legal, audit, Independent Review Committee and Board of Directors fees and expenses, custodial, portfolio transaction costs, registrar and transfer agency fees, regulatory costs, shareholder reporting as well as the Investment Advisor's expenses incurred in connection with its duties as the Investment Advisor and all administration expenses incurred by the Manager for its duties as Manager, excluding any salaries to the principal shareholders of the Manager. Except for interest and bank charges which are paid or payable directly by Cymbria, the Manager incurs such expenses on behalf of Cymbria and is then reimbursed by Cymbria for such expenses. Common operating expenses of Cymbria are allocated to the classes based on the average daily net asset values of each class.

6. Income Taxes

Cymbria, as a public corporation, is subject to income taxes on its net investment income and net realized gain on investment at the rates of approximately 33.5% and 16.8%, respectively. Taxable dividends from taxable Canadian corporations, as defined by the Income Tax Act (Canada), are excluded from taxable income. The effective income tax rates for future income taxes are approximately 30.8% on investment income and 15.25% on net realized gains.

At December 31, 2008, Cymbria has realized capital losses for tax purposes in the amount of \$4,754,366 which may be carried forward indefinitely to be used against future realized capital gains. Due to the uncertainty that the tax benefit of these losses will ultimately be realized, a future tax benefit in the amount of \$360,318 has been recorded only to the extent of the future tax liability on the unrealized gain on investment.

The total provision for income taxes in the statement of operations is at a rate less than

Cymbria Corporation
Notes to the Financial Statements (Continued)
For the period ended December 31, 2008

the combined federal and provincial statutory rate for the following reasons:

Net Investment Income before Taxes	\$ 47,496
Tax at the combined statutory rate — 33.5%	\$ 15,911
Increase (decrease) in provision due to:	
Non-taxable Canadian dividends	\$ (2,859)
Other	2,655
Net tax expense	\$ 15,707

The components of Cymbria's future income tax asset are as follows:

Share issuance costs	\$2,676,018
Realized capital losses	725,041
Less: Valuation allowance	(364,723)
Unrealized capital gains	(360,318)
Net future income tax asset	\$2,676,018

7. Brokerage Commissions

Commissions paid to brokers in connection with portfolio transactions are disclosed in the Statement of Operations. Brokerage business is allocated to brokers based on an assessment as to which broker can deliver Cymbria with the best results. Subject to these criteria, the Investment Advisor may allocate business to brokers that provide or pay for, in addition to transaction execution, investment research, statistical or other similar services which may or may not be used by the Investment Advisor in its investment decision making process. In 2008, the Investment Advisor had no "soft dollar" arrangements in which third party services were paid for by brokers. Other proprietary research services are offered on a "bundled" basis with transaction execution and as a result, the Investment Advisor is not able to reasonably ascertain the value of these investment research services.

8. Financial Instruments

Essentially all of the assets and liabilities of Cymbria are financial instruments. These

financial instruments comprise investments, cash, accrued interest and dividends receivable, accounts payable and accrued expenses, and share issuance costs payable. Investments are recorded at fair value based on the accounting policies described above. All other financial instruments are carried at cost or amortized cost, which, given their short-term nature, closely approximates their fair values.

9. Financial Instrument Risk

In the normal course of business Cymbria is exposed to a variety of financial risks: market risk (comprised of market price risk, currency risk and interest rate risk), credit risk and liquidity risk. The value of investments in Cymbria's portfolio can fluctuate on a daily basis as a result of changes in interest rates, market and economic conditions and factors specific to individual securities within Cymbria. The level of risk depends on Cymbria's investment objectives and the type of securities it invests in.

Risk Management

The investment objective of Cymbria is to provide long-term capital appreciation. It invests primarily in equity securities of global companies. To achieve its investment objective, the portfolio management team looks for companies with strong competitive positions, long-term growth prospects and strong management teams. The team acquires an ownership stake at a price below their assessment of the company's true value.

The investment team takes a conservative approach to risk management by applying in-depth thorough research to each investment idea in order to understand the risks of the individual business. The team then weighs the company-specific risks versus the return potential.

Risk is further managed by investing in a diversified portfolio of companies. The team

Cymbria Corporation
Notes to the Financial Statements (Continued)
For the period ended December 31, 2008

believes that investing in businesses that have competitive advantages in each of their respective industries is a more effective approach to diversification than focusing on traditional sector allocations. The team takes a common-sense approach to risk by assessing how much money can be lost and the probability of losing it. While this approach may seem overly simplistic, it provides vital clarity about the true investment risks.

The Manager employs a governance structure that oversees Cymbria's investment activities and monitors compliance with Cymbria's stated investment strategy, internal guidelines, and securities regulations. Monthly reviews by the Chief Operating Officer (COO) and Chief Investment Officer (CIO) are performed to ensure pre-trade and post-trade compliance rules are followed. The Governance and Oversight Committee conducts reviews on a quarterly basis to monitor activity within the portfolio to ensure compliance with applicable rules.

Market Price Risk

Market price risk arises primarily from uncertainties about future market prices of the instruments held. Market price fluctuations may be caused by factors specific to an individual investment, or all factors affecting all securities traded in a market or industry sector. All investments present a risk of loss of capital. The maximum risk resulting from financial instruments is equivalent to their fair value. The most significant exposure to market price risk for Cymbria arises from its investment in equity securities. If equity prices on the respective stock exchanges for these securities had increased or decreased by 5% as at December 31, 2008, with all other variables held constant, the net assets of Cymbria would have increased or decreased, respectively, by approximately \$ 9.9 million (approximately 4.4% of total net assets). In practice, the actual

results may differ from this sensitivity analysis and the difference could be material

Foreign Currency Risk

Currency risk arises from financial instruments that are denominated in a currency other than the Canadian dollar, which is Cymbria's functional currency. Cymbria is exposed to the risk that the value of securities denominated in other currencies will fluctuate due to changes in exchange rates.

The table below indicates the currencies to which Cymbria had significant exposure on its financial instruments as at period end in Canadian dollar terms, including the underlying principal of forward exchange contracts, if any.

Currency	Investments \$(000's)	Cash \$(000's)	Other Net Assets \$(000's)	Total* \$(000's)
British Pound	9,500	—	—	9,500
Euro	6,468	—	—	6,468
Mexican Peso	6,716	—	—	6,716
South Korean Won	3,679	—	—	3,679
Swiss Franc	8,722	—	—	8,722
US Dollar	166,193	8	231	166,432
Total	<u>201,278</u>	<u>8</u>	<u>231</u>	<u>201,517</u>
% of Net Assets	<u>89.4%</u>	<u>—</u>	<u>0.1%</u>	<u>89.5%</u>

*Includes both monetary and non-monetary financial instruments

As at December 31, 2008, if the Canadian dollar had strengthened or weakened by 1% in relation to all foreign currencies, with all other variables held constant, the Fund's net assets would have increased or decreased, respectively, by approximately \$ 2.0 million (approximately 0.9% of total net assets). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Cymbria Corporation
Notes to the Financial Statements (Continued)
For the period ended December 31, 2008

Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments where the values of those instruments fluctuate due to changes in levels of market interest rates. The majority of Cymbria's financial assets are equity shares which are not interest-bearing. Cymbria's financial liabilities are all short-term in nature and are generally also not interest-bearing. Therefore, Cymbria's exposure to interest rate risk is considered insignificant.

Counterparty Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with Cymbria. Cymbria's main exposure to credit risk is its trading of listed securities. It minimizes the concentration of credit risk by trading with a large number of brokers and counterparties on recognized and reputable exchanges. The risk of default is considered minimal as all transactions are settled and paid for upon delivery using approved brokers.

Cymbria may enter into foreign exchange contracts to buy and sell currencies for the purpose of settling foreign securities transactions. These are short term spot settlements carried out with counterparties with a credit rating of at least "A". The exposure to credit risk on these contracts is considered minimal as there are few contracts outstanding at any one time and the transactions are settled and paid for upon delivery.

Liquidity Risk

Liquidity risk is the risk that Cymbria will encounter difficulty in meeting obligations associated with financial liabilities. Aside from financial liabilities arising from its normal-course investing activities, Cymbria has no other significant financial liabilities. The shares

of Cymbria are non-redeemable so they do not represent a liquidity risk.

Cymbria may invest in illiquid assets but maintains the majority of its assets in liquid investments that are traded in an active market and that can be readily sold. As at December 31, 2008, illiquid securities represented less than 0.5% of Cymbria's Net Assets. The main illiquid asset is Cymbria's investment in EdgePoint Wealth Management Inc., which is not publically traded.

Cymbria also has the ability to borrow up to 25% of its net assets to invest in securities for the purpose of enhancing returns. No such borrowings occurred during the period.

10. Reconciliation of NAV

Net assets reported in these financial statements are accounted for using Canadian GAAP (GAAP Net Assets) and use the closing bid price for the fair value of investments traded in an active market. The GAAP Net Assets also take account of the future income taxes liability on the unrealized gain on investments as well as the future tax benefits associated with the share issuance costs and the realized losses on investments. The Net Asset Value (NAV) reported for the classes on a daily basis, and on which the management and service fees are calculated, uses last trade price to value investments traded in an active market and accounts for only current taxes and no future taxes. The Canadian Securities Administrators require reconciliation between NAV and GAAP Net Assets.

The difference between NAV and GAAP Net Assets as at the period ended December 31, 2008 on a per share basis is as follows:

	NAV	GAAP Net Assets
Class A	\$9.34	\$9.47
Class J	\$9.90	\$9.85

OFFICERS

TYE BOUSADA, CFA

Co-Chief Executive Officer

GEOFF MACDONALD, CFA

Co-Chief Executive Officer

DIANE ROSSI

Corporate Secretary

NORMAN TANG, CA

Chief Financial Officer

DIRECTORS

PATRICK FARMER, CFA

Chairman

JAMES MACDONALD

Director

RICHARD WHITING

Director

INDEPENDENT REVIEW COMMITTEE

JOSEPH SHAW, *Chair*

DAVID COHEN

SCOTT COOPER

AUDITORS

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