

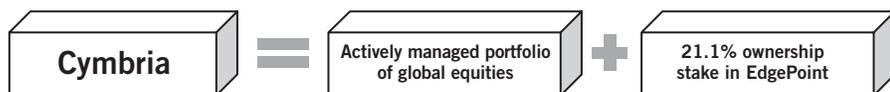
CYMBRIA CORPORATION

**2010
ANNUAL REPORT**

CYMBRIA CORPORATION

Investment Objective

Cymbria Corporation's investment objective is to provide shareholders with long-term capital appreciation in two ways: via a concentrated portfolio of global equities and an investment in EdgePoint Wealth Management Inc. ("EdgePoint"), which offers mutual funds, institutional and other investment products through financial advisors.



INVESTMENT RESULTS

Cymbria – Class A Net Asset Value ("NAV")

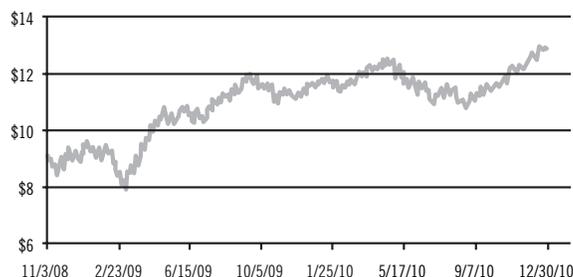
	NAV	Return (C\$)	Index (C\$) ²
Inception:			
11/4/2008	\$9.39 ¹		
2008³	\$9.34	-.54% ¹	-1.19%
2009	\$12.07	29.28%	13.49%
2010	\$13.50	11.82%	5.86%

Since inception

(including expenses related to IPO)

Compounded annual return	14.92%	8.30%
Cumulative return	34.98%	18.71%

Cymbria – Class A NAV



¹ Figures exclude expenses related to initial public offering ("IPO"). These figures are shown to provide a better understanding of how Cymbria's underlying investments performed and a more accurate comparison to the performance of the MSCI World Index.

²Benchmark: MSCI World Index; ³11/3/2008 – 12/31/2008; Source: Morningstar, Bloomberg. Total returns in C\$ as at 12/31/2010.

MSCI World Index figures are calculated on a pre-tax basis while Cymbria's net asset value ("NAV") figures are after-tax (but exclude future taxes). As Cymbria is a corporation, its income and capital gains are taxed within the corporation and reflected in the daily NAV. If Cymbria were to have simply owned the exact composition of companies in the MSCI World Index, after the daily accruals of the appropriate taxes, its results would have lagged the Index in the years in which it showed a positive return. Conversely, in years in which the MSCI World Index showed negative returns, as a result of loss carryback provisions in the Income Tax Act (Canada), Cymbria would have exceeded the returns of the Index.

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Notice of Cymbria's Annual Investor Day

Date: Thursday, May 5, 2011

Time: 9:30 – 10:00 am EST: Registration

10:00 – 11:30 am EST: Presentation

Location: Arcadian Court, 401 Bay Street, 8th Floor, Toronto, ON

Agenda

Company overview with Patrick Farmer, Chairman

Investment discussion with Tye Bousada & Geoff MacDonald, co-CEOs

Question & Answer

RSVP by April 29TH

1.866.757.7207 or 416.963.9353 or e-mail: info@edgepointwealth.com

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Chairman's Letter

The terms “high unemployment,” “large deficits,” “increased volatility,” “market uncertainty” and “investor nervousness” aptly describe 2010's investment backdrop. Arguably, those same terms correctly described 2009 and may well be appropriate catch phrases for the year ahead. In short, since our inception just over two years ago, the investment climate has been, and remains, incredibly uncertain.

Our progress to date, limited as it is, suggests that we've been able to find great investments despite this uncertainty. The enthusiasm of our investment managers regarding the prospects of Cymbria's portfolio of businesses makes me excited about the opportunities wrapped up in these current market conditions.

Cymbria's primary driver of wealth is the performance of the global companies that make up the portfolio. We're very pleased with its performance so far as we continue to build wealth for investors. However, our true success will be measured against our long-term goal of achieving investment results that are at or near the top of our peer group over a 10-year time period.

Cymbria's Investment in EdgePoint Wealth Management

The hard work of the entire EdgePoint team continued to translate into stronger relationships with our investment partners and greater support for our products. This growth is reflected in the increased carrying value of EdgePoint within Cymbria. The year-over-year change from 2009 was 60% – an approximate 17-fold gain from the original contributed capital.

This growth has allowed EdgePoint to pay a second dividend since its inception, another important driver of wealth for Cymbria shareholders. Cymbria's pro-rata share of the dividend declared by EdgePoint amounted to \$1,061,644 in 2010 compared to approximately \$20,000 in 2009 – a 50-fold increase.

Cymbria didn't repurchase any shares in 2010 although we remain committed to doing so should an attractive opportunity arise. Our Normal Course Issuer Bid was renewed in 2010 for an additional 12-month period.

In closing, I'd like to extend the proper recognition to the extremely talented group of individuals that are bringing the EdgePoint “experience” to life and who are responsible for the lion's share of our accomplishments. Without their tireless efforts, cheerful dispositions and amazing multitasking abilities, EdgePoint might have been nothing more than an interesting idea.

Thank you for your continued support.

Sincerely,



Patrick Farmer, Chairman

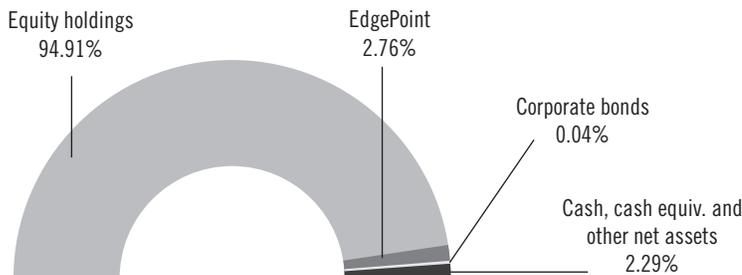
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To our readers: We use the first person and such words as “we” and “our” in our communications when referring to EdgePoint, as Cymbria and EdgePoint are related entities with the same operators.

Our Business

Cymbria is an investment corporation that trades on the Toronto Stock Exchange. Our objective is to provide shareholders with superior long-term capital appreciation through investments in a concentrated portfolio of global equities and in EdgePoint, which offers mutual funds, institutional and other investment products through financial advisors.

At the end of 2010, Cymbria was fully invested in a collection of 33 different business ideas, including a 21.1% ownership stake in EdgePoint.



Company History

The fall of 2008 was a bleak time for global equity markets as investors struggled with the impact of the credit crisis, numerous bank failures and one of the worst recessions in recent memory.

Armed with a proven investment approach and the belief that one of the best times to invest is when failure is taken for granted, four founding partners created Cymbria. They committed their own savings to the company and asked others to do the same. By the time Cymbria made its market debut on November 3, 2008, many more partners had joined the company and Cymbria launched with \$234 million in assets under management.

Our Investment Approach

We adhere to a time-tested investment approach that our investment managers have practiced throughout their investment careers.

We search for global companies that have strong competitive positions and defensible barriers to entry, strong long-term growth prospects, and that are run by trustworthy and competent management teams. We're long-term investors in businesses. We view a stock as an ownership interest in a business and endeavour to acquire these ownership stakes at prices below our assessment of their true worth.

We believe that the best way to buy a business at an attractive price is to have an idea about the business that isn't widely shared by others – what we refer to as a *proprietary insight*. We strive to develop proprietary insights around businesses we understand. Our holdings generally reflect our views looking out more than three years. We firmly believe that focusing on longer time periods enables us to develop proprietary views on businesses that aren't reflected in their current stock price.

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, a natural curiosity to search out new ideas and a commitment to thorough research to uncover opportunities the market doesn't fully appreciate.

A concentrated portfolio

We invest with conviction and as a result, our portfolios are concentrated in our best ideas. This concentration allows individual portfolio holdings to have a meaningful impact on returns when the market recognizes our estimate of their values.

How do we approach risk?

Investment success is often defined exclusively by investment returns. In sharp contrast, when we make an investment, we weigh the risk of that investment against its potential return. This is unlike most investors who tend to focus exclusively on returns and neglect to ask what kind of risk was taken to achieve those returns.

For us, risk is the potential for a permanent loss of capital. We have an old-fashioned view of risk summed up in the questions, “How much money can we lose, and what is the probability of that loss?” Much of our thinking around risk focuses on company-specific factors such as increased competition, management competence, profitability compression and the underlying valuation of a business relative to our assessment of its true worth. Noticeably absent from this definition is the volatility of a company's share price relative to the market. We don't believe volatility is risk.

Our Results

Since launching Cymbria on November 3, 2008, we've made some initial progress toward our goal of building wealth for shareholders over the long term. Cymbria has experienced a cumulative return of 35.0% (A share NAV) since its inception, including the expenses related to the IPO. This compares to an 18.7% return for the MSCI World Index (C\$). While this is a short-term number, we're nevertheless pleased with our early progress.

We measure our investment results using Cymbria's net asset value (rather than its stock price) as this more closely reflects the value that we as the investment management team are adding. We chose the MSCI World Index as our performance benchmark and believe that at a minimum we should be able to exceed the performance of this benchmark over the long term.

2010 INVESTMENTS OVERVIEW

Tye Bousada and Geoff MacDonald, Portfolio Managers

A good time to invest can occur when optimism is at a low. 2010 seemed to be such a year. The dominant theme was the “New Normal,” which is a fancy catch-all slogan to describe the pessimistic view that hope is dead.

In the face of this significant wave of negative macro sentiment, we remained firmly focused on our competitive strengths. Specifically, we stuck to our deceptively simple investment approach, stayed focused on our goal of building investor wealth over the long term and tried to combat the primal instincts of fear and greed on a daily basis. Put another way, we tried to live as best we could in a narrow emotional band.

With that as the backdrop, we’ve divided our letter this year into five sections:

1. **“New Normal” Risks**
2. **Opportunities Created by the “New Normalists”**
3. **Investment Activity**
4. **Looking Forward – Growth for Free**
5. **Looking Forward – Volatility?**

Part 1: “New Normal” Risks

A decade ago, the investment mantra was “growth at any price.” Five years ago, it was all about leverage. In 2010, the prevailing mantra was the “New Normal”. Enter this term into Google and you get 330 million hits. In the past four weeks alone (at the time of this report), there were 47,600 media references to the New Normal according to the same search engine. Even U.S. President Barack Obama couldn’t resist using the term during a *60 Minutes* interview in November where he said he feared his country’s economy could enter a “new normal.”

What exactly is the New Normal? Our best guess is that it’s a term used to describe a collection of macro fears including high unemployment levels, household deleveraging, sovereign debt risks, austerity measures, the battle between the dual evils of inflation and deflation, and a host of other investment-related worries making headlines today. The “New Normalists” want you to believe that the huge number of economic problems facing the world precludes an intelligent solution to any of them. In short, they’d like you to believe that hope is dead.

Like all popular investment mantras, the New Normal has ushered in an entirely new set of investment risks and opportunities. From a risk perspective, the macro fears underlying this argument led to a massive rush into investments labelled as “safe.” With little hope for the future, cash and bonds became popular “safe” investments. Regrettably, what seemed forgotten by the average investor is that safety is entirely a function of the price paid. At the wrong price, a perceived safe investment can be the riskiest to own. Let’s walk through a few quick examples.

How can cash be a risky investment?

Cash has historically proven to be the absolute worst investment over any meaningful time period. Every year, the value of cash declines by the rate of inflation minus the nominal amount of interest. Let’s suppose inflation is 3% per year for the next decade and you earn a 1% return on cash. Your annual return is therefore -2%. By simply owning cash, you’ll be 22% poorer 10 years from now.

How can fixed income be a risky investment?

Fixed income is another good example of where large pockets of risk masqueraded as safety in 2010. The unquenchable demand for yield led some investors to put themselves at high risk for permanent loss of capital. Many investors in today’s environment are looking for a “guaranteed” 6% return on their fixed-income investments. They don’t want to assume any risk and as a result are willing to accept a meagre 6%. Unfortunately, there’s no such thing as a risk-free 6% return in today’s fixed-income environment. To highlight one case, consider the 100-year Mexican bond issued in the second half of 2010. In exchange for lending money to Mexico and taking on the risk that the country won’t repay their principal in a century, investors were willing to accept 6.1% annually. Mexico has defaulted four times on its financial obligations during the last two centuries. Does 6.1% truly compensate investors for the risk of at least one more default in the next 100 years, never mind the risk of rising inflation over the same period? We don’t believe this is adequate compensation but rather an example of a risk for permanent loss of capital created by New Normal thinking.

Part 2: Opportunities Created by the New Normalists

Most popular investment mantras come with their fair share of risks. At the same time, they create opportunities. With so much macro-economic fear haunting the marketplace, many investors perceived equities as being too risky. The heightened fear around equity ownership continues to present us with opportunities to buy growth for free. Don’t interpret these comments as us “cheerleading for the stock market.” As we’ve said before, we believe the economy could be slower for longer than most people expect, which could mean limited upside for the stock market in the near term. However, during periods of indiscriminate selling by the New Normalists, businesses that are able to grow through economic malaise are thrown out with the vast majority of businesses that can’t. It’s our job to find these mispriced opportunities.

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An example is Interface Inc., the world's largest global manufacturer of modular carpet (i.e. carpet tiles used in offices, schools, hotels, etc.). Interface invented modular carpet in the 1970s. This product's primary value proposition is that certain areas of a carpet experience more wear and tear than others and need to be replaced more often. With regular carpeting, even if only 20% of it shows wear and tear, the entire carpet needs to be replaced, which isn't economical. With carpet tile, only the worn portions need to be replaced. With this improvement, carpet tile has increased from a zero market share of U.S. commercial installations to approximately 34% today. In markets outside of the U.S., penetration rates vary from 8% in Germany to 44% in the United Kingdom and Ireland, with an average penetration rate of approximately 30%.

Interface's share price experienced drastic declines as investors believed that few people would ever again buy modular carpet. After carefully studying Interface's opportunities, we saw a very different future. Specifically, we saw prospects for Interface to increase its market share of commercial carpet from 30% to approximately 50% (the company believes it can achieve 65%). Bottom line was that we could realistically see Interface generating approximately \$1 per share in earnings with an average share price of approximately \$5. Looking at the math from another perspective, we felt that even in a tough economy we could, in a reasonable amount of time, earn \$1 per year on a \$5 investment. This was undoubtedly attractive and we bought as much of the stock as we could as quickly as we could.

A short time later, Interface demonstrated that it could grow quickly despite a sluggish economy. During the first three quarters of 2010, Interface's revenue and earnings grew by 11% and 367% respectively. Even with the enormous pessimism surrounding equity investments, we knew the market couldn't indefinitely ignore strong and growing companies and felt Interface's true value would eventually be recognized. This occurred as Interface's profitability began to balloon. Its share price increased to \$14 (from our average cost of \$5 and our initial purchase price of \$2 per share), at which point we sold our stake in the company. This price appreciation made Interface one of the largest contributors to portfolio performance in 2010 and we have the New Normalists to thank for the opportunity.

Part 3: Investment Activity

Each day, we look at the portfolio and ask ourselves how we can upgrade its quality – a never ending process. The idea is to deploy capital in the most efficient manner possible given the alternatives facing us at that particular moment. This type of investment approach obviously results in a turnover of ideas inside Cymbria, which usually starts with a sale of an existing position.

We generally sell a security for one of two reasons. First, there's a constant culling process whereby we continuously strive to upgrade the quality of the portfolio with better ideas. For example, if one of our ideas becomes well recognized and this is reflected in its share price, we remove the investment in favour of a more attractive opportunity. The second reason for selling an idea arises when our thesis about a business is deemed to be no longer valid. If we can't stand behind our thesis, we can't stand behind an ownership interest in the business and the position is sold. During 2010, we sold businesses in Cymbria for both reasons.

1. Investment thesis is reflected in the share price

Examples include:

- BorgWarner Inc., a U.S.-based auto parts manufacturer

We originally purchased BorgWarner in the fall of 2008 when the consensus view was that few cars would be sold again due to the poor state of the economy. When rational thinking prevailed and investors realized that new cars would still be in demand, we sold our shares in this company at the beginning of 2010 at more than 100% of our initial purchase price.

- Makita Corp., a Japanese power-tool manufacturer

We first purchased Makita in January 2009 on concerns about a decline in construction in Europe (Makita's largest export market), which weighed on the share price. As construction in Europe slowly rebounded, Makita's share price followed. We sold our position in 2010 at 90% above our initial purchase price.

Other companies sold due to share price appreciation include:

- Interface Inc.: 595%
- LCA-Vision Inc.: 258%
- Calfrac Well Services Ltd.: 69%
- Grupo Aeroportuario S.A.B. de C.V., ADR: 26%

(Return figures are cumulative local dollar returns for the period held in the portfolio)

2. Investment thesis was incorrect – i.e. a mistake

Connaught PLC falls into this category. It's a U.K.-based company operating in the social housing, public sector and compliance markets.

With the lack of social housing in England and 50% of all rents earmarked for maintenance and repair, we believed Connaught was well positioned on the maintenance side of their business and felt their strong barriers to entry on the compliance side of their business, where

they held a dominant position, would provide continued growth opportunities. Connaught's share price fell substantially following news that the emergency budget legislated by the country's new government would significantly impact the company's future profits. With the government budget cuts being greater than we predicted, we immediately sold our entire position in Connaught. Our investment in Connaught reduced Cymbria's return by 1.55% over the period in which it was held.

We deployed the proceeds from sale of these companies to new investment ideas. Examples include: Altera Corp., Gerresheimer AG, Horiba Ltd., and Western Union Co.

While each a unique investment idea, these portfolio additions nevertheless share at least one commonality: at the time of their purchase, we felt their growth potential wasn't reflected in their stock prices.

Part 4: Looking Forward – Growth for Free

The free cash flow of a business is what's left for the owner after all expenses have been paid. The owner's return is calculated by dividing the company's free cash flow by the price paid for the business. Imagine you bought a business that makes chewing gum and it cost you \$100. In the first year, your revenues were \$20 and your operating expenses were \$15. That means you achieved a return on your investment of 5% (\$20 less \$15 divided by your \$100 original investment).

The 10-largest holdings in Cymbria at the end of the year made up approximately 50% of the entire portfolio. The average free cash flow yield (or owner's return) of those 10 companies was approximately 9% over the period. This figure doesn't assume any improvements in revenues or expenses going forward. Additionally, most of these businesses have excess capacity, meaning their near-term revenue growth can be supported by little to no increase in capital expenses.

Now, ask yourself this important question: If your investment horizon is five years or longer, what would you rather own?

- A. A portfolio of growing businesses currently providing a 9% return on investment before accounting for any growth
- B. Cash, which is earning 1% annually and will lose purchasing power with inflation
- C. A 10-year Government of Canada bond that pays 3.5% annually with no chance for growth
- D. A 100-year Mexican bond that currently yields 6.5% annually with no chance for growth

(Data as at the time of writing)

We believe the best answer is A.

Interestingly, since the late 1960s, free cash flow yields of companies have closely resembled the rates of returns of government bonds. It's only within the last couple of years that these yields have decoupled from those of government bonds. We believe New Normal pessimism has caused this anomaly. This in itself is reason to be optimistic; however, even more hopeful is that we think the businesses in the portfolio will grow in spite of a tough economy and only add to portfolio returns. We believe the market is giving away growth for free today. With history as our guide, we feel the market will eventually pay for this growth as fear is replaced by greed.

Part 5: Looking Forward – Volatility?

In short, we're approaching the turbulent markets with a sense of measured confidence. The cloud of pessimism hanging over the global capital markets looms large, in our opinion creating select opportunities to build future material wealth.

It won't be a straight shot upwards from here for the share prices of the businesses in the portfolio. Since Cymbria's inception in 2008, returns have been pleasing in absolute and relative terms although the path to get there has been somewhat bumpy. We understand that adding value over the long term sometimes means looking wrong in the short term.

Regarding the near future, we guarantee that the path will continue to be volatile. Today's New Normalists will find something else to focus on tomorrow – let's call it "The New-New Normal." These "New-New Normalists" will again adopt macro obsessions and trade with utter disregard for business fundamentals. It will be our job to take advantage of the situation and add value by capitalizing on their fear and greed.

For now, the only thing normal and predictable about the stock market is volatility. We'll continue to embrace volatility as it's allowed us to add value to the benefit of our investors.

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EDGEPOINT – AN IMPORTANT DRIVER OF WEALTH

The Business

Based in Toronto, EdgePoint is an employee-owned wealth management company, which is majority owned by its founders, Tye Bousada, Patrick Farmer, Robert Krembil and Geoff MacDonald. These founding partners believed there was room in the crowded financial services industry for a different kind of investment firm. Frustrated with seeing the mutual fund industry transform from an investment-focused business to an asset-gathering, sales- and marketing-driven business at the expense of investors' best interests, EdgePoint launched on November 17, 2008 with three goals:

1. Achieve investment results that are at or near the top of our peer group over a 10-year timeframe
2. Remain an investment-led organization that has strong relationships with our investment partners (investors and their advisors)
3. Maintain a company culture that inspires our employees to think and act like owners

Our Progress

To date, we've made meaningful progress toward reaching our goals. Here's how:

1. Achieve investment results that are at or near the top of our peer group over a 10-year timeframe

Our investment results since inception are as follows:

Series A portfolios (as at 12/31/2010)	2010	2009	2008†	Since inception‡
EdgePoint Canadian Portfolio	16.6%	50.2%	4.9%	33.2%
S&P/TSX Composite Index	17.6%	35.1%	2.8%	26.0%
EdgePoint Global Portfolio	8.0%	28.2%	10.4%	22.2%
MSCI World Index	6.5%	11.1%	7.6%	12.9%
EdgePoint Canadian Growth & Income Portfolio	14.0%	40.4%	1.5%	25.7%
60% S&P/TSX / 40% BofA Merrill Lynch Canada Broad Market Index**	13.3%	23.1%	3.2%	18.6%
EdgePoint Global Growth & Income Portfolio	9.0%	29.1%	4.1%	19.7%
60% MSCI World Index / 40% BofA Merrill Lynch Canada Broad Market Index**	6.3%	9.5%	6.0%	10.8%

†Partial year performance (11/17/2008 – 12/31/2008); ‡Inception: 11/17/08. Compounded annual rate of return.

Source: PalTrak, Bloomberg. Total returns in C\$.

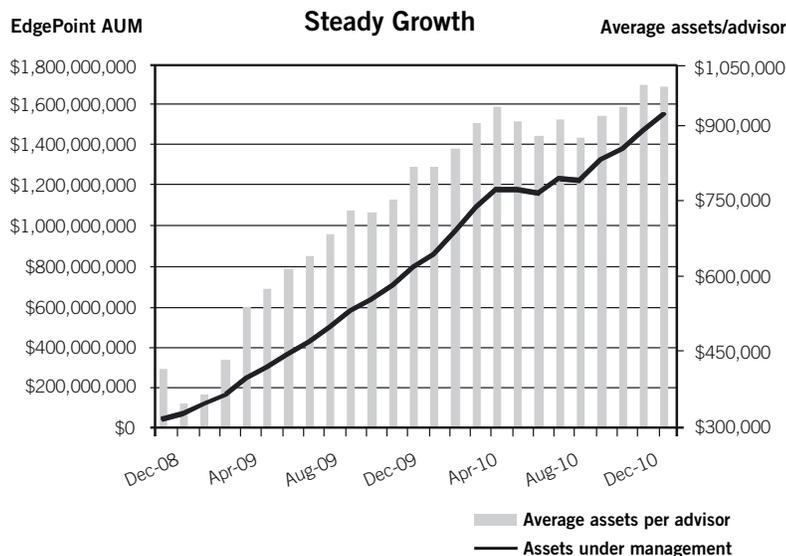
**Formerly Merrill Lynch Canada Broad Market Index.

We're pleased with these results both on an absolute and a relative basis, although they represent only about two years of performance. Our clearly stated goal is to be at or near the top of our peer group for performance over a 10-year timeframe.

2. Remain an investment-led organization that has strong relationships with our investment partners (investors and their advisors)

Building deep business relationships isn't a task we take lightly. We work diligently to earn the trust and confidence of investors and their advisors, and have made a firm commitment to provide high levels of service.

By the end of 2010, EdgePoint had partnered with 1,539 advisors across Canada. To compare, 945 advisors supported our portfolios at the end of 2009. Another indicator of growth is the increase in average assets under management per advisor, an important metric for us as it demonstrates an increasing commitment to EdgePoint. As at December 31, 2010, this figure had grown to \$1,003,413 from \$837,883 the previous year. The following chart illustrates EdgePoint's growth both by assets and number of advisor partnerships.



These results reflect our investment partners' material commitments to EdgePoint. Our goal now is to nurture deeper bonds with existing partners. As such, it is unlikely that the number of relationships will continue to grow at the rate it has.

Partnership Focus

In last year's annual report, we dedicated a section to the importance of keeping costs low and our efforts in this area. This year, we'd like to focus on the meaning of partnership to EdgePoint.

As anybody who's been in one can attest, a partnership's value isn't easy to gauge. We do know that valuable partnerships form the foundation of a successful business.

We treat our partnerships as truths we share with advisors who, along with their clients, place their trust in us. Perhaps the most important promise that EdgePoint brings to every partnership is our focus on the end investor in everything we do. This emphasis anchors our thinking and behaviour on a daily basis. Furthermore, it's the yardstick by which we measure all of our decisions prior to acting on them. We believe it's how advisors, investors and ultimately EdgePoint will benefit in the long run.

We subscribe to the adage that plans are merely good intentions unless accompanied by hard work. As such, we take great effort in delivering against our partner commitments. At EdgePoint, this starts with better communication. We believe open, honest and timely communications help our partners gain a better understanding about how their money is being managed. Stated another way, informed investors make better investment decisions.

Communications

To keep our partners as informed as possible, we try not to spread ourselves too thin, and instead deal with only a fraction of the advisors and investors in the country. This allows us to remain responsive to our partners' requests. In fact, our goal is to provide a response to investment questions by one of our portfolio managers within five days or less. We have a system in place to ensure this happens and so far, our partners seem pleased with the outcome.

Another way we enhance communications is by being proactive about sharing information. Our quarterly commentaries are written by our portfolio managers and not by marketing staff or in-house lawyers. Removing the people who stand between portfolio managers and our investment partners helps to ensure that investment commentaries aren't watered down or their messages lost altogether. Another benefit to having fewer people involved is that our commentaries are ready immediately after quarter end instead of weeks later when they're of little benefit to our readers.

We try to proactively share information and don't confine our communications publishing to quarterly intervals. If something has happened in the portfolio that we think might interest our partners, we inform them in a timely manner. This increased transparency helps solidify our existing partnerships.

We also strive for superior communications by putting investment and business knowledge in the hands of all 24 of our employees. Every EdgePoint team member has regular contact with our advisors and investors. The better informed our employees are, the easier it is for them to help answer questions and resolve issues.

As a good partner should, we aim to make ourselves available to our partners. We've been fortunate in that, since the inception of EdgePoint, over 200 partners have visited our offices for due diligence sessions and we welcome others to do the same. We appreciate that they're willing to dedicate their time to learning more about us and look forward to future visits with them.

Feedback

We try to bring as much value as we can to every one of our business relationships, but the truth is that our partners have done more for us than we've done for them.

Much of what EdgePoint is today is a result of discussions with our partners about what they wanted to see in the industry, including:

- An investment-led company versus one that was focused on sales and marketing
- A privately-owned company that put the interests of investors in their products first and was not conflicted by shareholder interests
- Lower management fees relative to the rest of the industry
- Higher investment minimums
- No advertising as it simply adds no value to the end investor
- A small line-up of funds that we could stand behind in good times and bad as opposed to offering countless products that are forgotten when out of favour
- A firm that wasn't trying to be everything to everyone but instead was attractive to a select few
- A firm whose portfolio managers (and employees) invested alongside of its investors

This feedback was consistent with what we wanted EdgePoint to be and served as the foundation for the firm. We've continued to welcome feedback from our partners, which has led to changes at EdgePoint. Examples include:

- Our approach to Tax-Free Savings Accounts (TFSA's)
- Introducing Advisor/InvestorTrax – a system that allows investors and their advisors to monitor their investment accounts
- Enhancing client statements
- Creating fillable electronic account applications, thus allowing users to complete forms online
- Introducing our non-HST series
- Providing additional portfolio details on our website
- Ensuring clients are invested in the appropriate portfolio series (e.g. residents in non-HST participating provinces are in the non-HST series)
- Incorporating changes to our quarterly fund fact sheets
- Including a "What's New" section on our website

Non-HST series

We expanded our streamlined product offering in 2010 in response to the introduction of the Harmonized Sales Tax ("HST"). Much to our disappointment and despite efforts to convince provincial governments otherwise, the HST came into effect in Ontario and British Columbia on July 1, 2010, adding approximately 8% to overall fund expenses.

The mutual fund industry had different options in how to apply the HST. The easiest solution would have been to simply increase the taxes paid by all unitholders in a fund, regardless of where they reside. This means investors in Alberta (or any non-harmonized province), whose government chose not to introduce the HST, would pay higher taxes simply because they are in a mutual fund with investors from Ontario. While much of the industry chose to do just that, we couldn't support this unfair and unjust tax subsidization. Instead, we elected to launch separate non-HST series for investors in non-participating provinces, thus protecting these investors from tax decisions made outside of their province. Our partners have applauded this decision.

As an investment-led wealth management firm which prides itself on putting the interests of its investment partners first in every decision, the thought of jamming this unfortunate new tax on unsuspecting investors would have been simply unjust.

Partnership at Work

Launching a non-HST series had the potential to be an administrative nightmare for our clients. We needed to switch eligible accounts to non-HST series without any tax consequences or administrative costs for our investors, and with minimal effort on the part of our advisors and dealer back offices.

We worked tirelessly with our back-office service provider, Citigroup Fund Services (“Citi”) to ensure a flawless execution. With over 8,000 switch transactions to manually process, the EdgePoint team was ready to assist Citi in any way we could. Even one of our relationship managers in Calgary, Craig Advice, was prepared to hop on a plane to Toronto to lend a hand. A testament to our strong relationship with them, Citi was able to find a cost-effective and automated solution, making EdgePoint the first to automatically switch investors into the new series.

In the end, transferring our eligible investors to the new series was seamless thanks to the dedication of everyone involved. Perhaps all the work required inclined most of the industry to the simply increase taxes payable by all investors in a fund. We’re left wondering how investors in non-HST provinces feel about that decision.

Continued Focus on Relationships

Although the short term always presents uncertainties, what is certain is that good partnerships make for a better-prepared future. We think we’re lucky to have the best partners possible. That said, we’re not standing still and will continue to work hard to earn the trust and support of advisors and investors going forward.

3. Maintaining a company culture that inspires our employees to think and act like owners

We believe culture is best defined as “knowing what the right thing to do is without having to be told.” Knowing the right thing to do starts with the owners of a business. That’s why EdgePoint employees are offered the opportunity to become owners of the firm. There’s no better way to ensure that employees think and act like owners than to actually make them owners.

Up to 10% of EdgePoint’s shares are reserved for employees. In 2010, EdgePoint sold a portion of these allotted shares to eligible employees. As a result, Cymbria’s overall ownership of EdgePoint decreased from 21.6% to 21.1% at the end of 2010. Similarly, EdgePoint Investment Group’s 72.2% stake in EdgePoint decreased to 70.5%. At the end of 2010, EdgePoint shares had increased in value by over 17 times from what Cymbria paid for them.

To truly align interests, we believe the owners of a business should have to purchase their ownership share rather than be given stock or options. This increases one’s commitment to the business and eliminates any sense of entitlement. There’s an important difference between the risk of losing one’s hard-earned savings and not earning a satisfactory capital gain. Over 95% of EdgePoint employees have been offered and accepted the opportunity to purchase an interest in the firm, making them true owners of EdgePoint. It’s our goal to one day offer this benefit to all EdgePoint employees.

The following is a list of EdgePoint partners and the year in which they became owners:

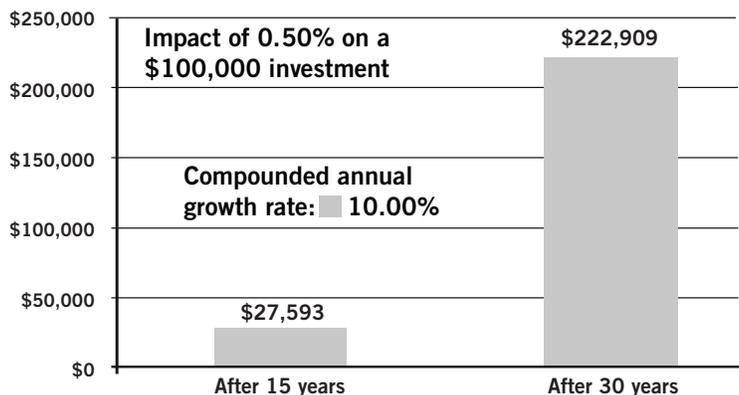
Craig Advice (2009)	Tye Bousada (2008)	Sayuri Childs (2009)	Teresa Di Ruscio (2010)
Richard Djakovic (2009)	Patrick Farmer (2008)	Sarah Ford (2009)	Nataliya Goreva (2009)
Geoff Goss (2009)	Mary Gramegna (2009)	Olivia Kao (2009)	Malcolm King (2009)
Greg Lagasse (2010)	Pho Lai (2010)	Geoff MacDonald (2008)	Frank Mullen (2010)
Pierre Novak (2010)	Sandro Panella (2009)	Diane Rossi (2009)	Norman Tang (2009)
Nicholas Telemaque (2010)	Anna Tischenko (2010)	Matilde Vizinho (2010)	

Our Focus on Low Costs

One of EdgePoint’s commitments is to deliver low-cost, high-quality investment products. The importance of low costs can’t be overstated because lower costs ultimately translate into higher long-term returns.

Let’s assume you invest \$100,000 in a mutual fund that grows at a 10% compounded rate per year. The following chart illustrates the difference of 0.50% a year on your initial investment over time.

CYMBRIA CORPORATION



This example highlights the difference between compounding wealth at 10% and 9.50%.

These returns show the effects of compounded growth and aren't intended to reflect future returns of any EdgePoint investment product. By simply passing along a cost savings of half a percent per year, an investor would have an additional \$27,593 after 15 years and over \$200,000 more after 30 years – substantial incremental wealth on an initial investment of \$100,000.

That's why we've designed our portfolios to be low cost.

Healthy Attitude Toward Cost Savings

A key element to keeping our costs low is our employees' attitude toward unnecessary expenses. As EdgePoint owners and investors, we understand the compounding benefits of low expenses. In last year's annual report, we highlighted a number of steps we've taken to keep costs down. We continue to uphold these values, maintaining the same sharp focus on decreasing our expenses.

EdgePoint's low-cost structure means our expenses are among the lowest of our direct competitors even though we have only a fraction of the assets of our peers.

Let's look at how we've progressed against our goal of achieving low fees.

Management Expense Ratios ("MERs")

In the investment business, following a sound investment approach is critical; however, sometimes good security selection isn't enough. High expenses can eat into investment returns resulting in sub-par performance.

Expenses for all EdgePoint portfolios continued to decline during the year resulting in lower year-end MERs. This reduction was achieved despite the questionable decision by the Ontario and British Columbia governments to introduce the HST on investment products, which added a significant tax burden to portfolio expenses. Sales taxes are now the second-largest fund expense. As investors, we are deeply disappointed by this tax on savings.

We designed our investment products with a singular purpose: creating wealth for our investors over time. This involves not only sticking to a time-tested investment approach, but also ensuring that investment results aren't unnecessarily eroded by high MERs. Notwithstanding the higher costs associated with the HST that are out of our control, we're pleased with the progress we've made toward offering lower fees, and believe there's room to reduce costs even further.

A year-over-year MER comparison is provided below. The table compares 2009 Series A portfolio MERs to 2010 Series A non-HST portfolio MERs. Neither of these series include HST, making it a fair comparison. Also provided are industry-average MERs for comparable funds in our peer group.

Comparing MERs

	Series A	Series A – non HST	Category Average
Portfolio	2009	2010	2010
EdgePoint Canadian Portfolio	2.37%	2.15%	2.36%
EdgePoint Global Portfolio	2.35%	2.20%	2.53%
EdgePoint Canadian Growth & Income Portfolio	2.25%	2.04%	2.21%
EdgePoint Global Growth & Income Portfolio	2.28%	2.07%	2.33%

Source: PalTrak; MER data published as at 1/31/2011
Comparison to comparable actively-managed funds in relevant categories.

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Entry into Quebec

We began offering EdgePoint portfolios in Quebec at the end of 2009. With approximately 95 Quebec-based advisors having already partnered with EdgePoint, we're pleased with the success we've achieved in the province to date.

Team Expansion

EdgePoint's 2010 growth resulted in the need for three additional employees to the company, bringing the total number of EdgePoint employees to 24.

At the beginning of 2010, Teresa Di Ruscio joined the Operations team to provide transactional and operational support. Matilde Vizinho started at EdgePoint in February as our office manager. Finally, Sylvie Robert became an internal relationship manager working with Pierre Novak in Quebec.

New Office

As of April 4, 2011, you can find us in our new home at 150 Bloor St. W. in Toronto.

Our current space has served us well but with the expiry of our sublease, we took the opportunity to find a more appropriate location to accommodate the growth we've experienced since 2008.

We like to say that our current office is a Class C building in a Class A location. While we like the Class A location, we look forward to enjoying some basic amenities not always available in a Class C building. These include:

- Consistent heat in the winter and air conditioning in the summer
- 24-hour security
- Back-up generators, loading docks and moving elevators
- Proper telecommunications and network connectivity
- Parking nearby for our investment partners
- The look and cleanliness one expects from a long-term partnership commitment. Our new office is owned and managed by a landlord with a history of maintaining and servicing Class A office buildings

The good news is that the building we're moving to has recently undergone significant renovations and improvements by the new owners and was largely vacant. As a result of an aggressive lease-up campaign, we received substantial tenant inducements to enter into our lease. Not to mention, by simply staying outside of the downtown core, we're saving an additional 17% on office space.

Results

Cymbria's most important wealth driver is the individual businesses that comprise its portfolio of investments. At the same time, the growth in EdgePoint's business and Cymbria's pro-rata share of its dividend were important components of Cymbria's 2010 investment results. The table below summarizes EdgePoint's contributions to Cymbria.

Cymbria's drivers of wealth	2010	2009
Security selection	9.53%	27.88%
EdgePoint business	1.92%	1.38%
EdgePoint dividend	0.37%	0.01%
Growth in Cymbria's NAV	11.82%	29.27%

Cymbria's income, excluding the dividend from EdgePoint, and expenses are included in the security selection component.

The growth in Cymbria's NAV includes an accrual for current income taxes but excludes the impact of potential future taxes on unrealized gains in the portfolio.

As a result of EdgePoint's growth, Cymbria's stake in EdgePoint increased to \$8.92 million at the end of 2010 for NAV pricing and financial statement purposes. This contributed 1.92% to the increase in Cymbria's NAV. An additional 0.37% increase came from a pro-rata cash dividend in the amount of \$1,061,644 from EdgePoint.

CYMBRIA CORPORATION

Investment in EdgePoint

Cymbria and EdgePoint Investment Group have invested a combined \$2.2 million in EdgePoint. Cymbria's share of this investment is just over \$500,000. In return for this \$500,000 investment, Cymbria has a 21.1% ownership stake in EdgePoint. Cymbria has received \$1,083,263 in dividends since its inception, and its stake in EdgePoint has increased to \$8.92 million, making it the most valuable contributor to Cymbria's portfolio of investments since its inception.

We're Growing

We're always looking for talented individuals who can help us achieve our goals. We understand that extraordinary human ability is a scarce resource always in high demand. If you think you have some and are interested in our company, please send your resume to:

WeAreGrowing@EdgePointWealth.com

CYMBRIA CORPORATION

This Annual Management Report of Fund Performance (“MRFP”) contains financial highlights but not Cymbria’s annual financial statements. Annual financial statements are contained in a separate document included at the back of the MRFP. You can obtain a free copy of the annual financial statements by calling us toll-free at 1-866-757-7207, writing to EdgePoint Investment Group Inc., 150 Bloor St. W., Suite 500, Toronto, ON, M5S 2X9, or visiting our website at www.edgepointwealth.com or the SEDAR website at www.sedar.com.

Likewise, shareholders can obtain copies of Cymbria’s proxy voting policies and procedures, proxy voting disclosure records, and quarterly portfolio disclosures related to Cymbria.

Every effort has been made to ensure that the information contained in this report is accurate as of December 31, 2010; however, Cymbria cannot guarantee the accuracy or the completeness of this material. Please refer to the Prospectus and audited annual financial statements of Cymbria for more information.

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

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 Fund 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, 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 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 of Fund Performance.

Management Discussion of Fund Performance

The management discussion of fund performance presents the views of the portfolio management team concerning significant factors and developments that have affected Cymbria's performance and outlook.

Please read the aforementioned caution on the preceding page regarding forward-looking statements.

Investment Objectives and Strategies

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

We are long-term investors with an investment horizon of greater than three years. We believe that the best way to buy a business at an attractive price is to have an idea that isn't 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 the thorough research 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 an individual business, which we weigh against its return potential. We take 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.

There were no significant changes during the period that affected the overall level of risk associated with Cymbria.

As discussed in the Prospectus, the overall risk of investing in Cymbria remains moderate and is appropriate for investors with a long-term investment horizon. There are several types of risks that 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 Cymbria. We invest with conviction and as a result, the portfolio is concentrated in our best ideas. This concentration allows individual portfolio holdings to have a meaningful impact on returns. It also allows us greater in-depth knowledge about each company in the portfolio, a key element in reducing the potential risk of an investment.

As at December 31, 2010, Cymbria was diversified into 33 different business ideas.

Currency risk

Cymbria is valued in Canadian dollars; however, it invests in foreign securities that are denominated in foreign currencies. In order to reduce the impact of short-term currency fluctuations, we may employ currency hedging. Specifically, we may hedge all or a portion of our foreign currency exposure depending on our view of a currency's relative value and its associated risks.

As at December 31, 2010, Cymbria's most significant foreign currency exposure was to the U.S. dollar, which as a percentage of total net assets was approximately 82%. This is a decrease from 87% in the prior year. Cymbria did not have any U.S. dollar currency hedges in place at the end of 2010.

Results of Operations

Investment performance

For the year ended December 31, 2010, Cymbria class A shares gained 11.82% versus an increase of 5.86% (C\$) for its benchmark, the Morgan Stanley Capital International (MSCI) World Index. Please refer to the *Past Performance* section for the performance of Cymbria class J shares, which differs from class A shares due largely to varying expenses and taxes incurred by each class as explained in the Prospectus.

On a sector basis, Cymbria's holdings in the industrials and information technology sectors contributed most significantly to overall performance while select holdings in the health care sector detracted most significantly.

Meaningful contributors to investment results included:

- Interface Inc.
- International Rectifier Corp.
- Ryanair Holdings PLC
- Willis Group Holdings PLC
- Hughes Communications Inc.

As a group, these companies contributed approximately 8.7% to overall portfolio performance.

Meaningful detractors from investment results included:

- Connaught PLC
- Research In Motion Ltd.
- AMN Healthcare Services Inc.
- Cisco Systems Inc.
- International Game Technology

As a group, these companies detracted approximately 5% from overall portfolio performance. With the exception of Connaught, we continue to hold these companies as we still believe in our original investment thesis and their long-term values.

While we provide these results to fulfill the disclosure requirements of this report, we measure investment success over periods of 10 years or more and believe it takes considerable skill to consistently add value over the long term. We don't believe any meaningful conclusions can be drawn based on such a short time period.

Portfolio transactions

During the year, Cymbria invested in existing holdings as well as new investment ideas.

Businesses purchased

Examples of companies added to Cymbria include:

- Horiba Ltd., a manufacturer of analytical and diagnostic equipment
- Altera Corp., a manufacturer of programmable logic devices
- Western Union Co., a financial company that facilitates money transfers
- Gerresheimer AG, a specialist in advanced glass and plastic products

There were many interesting investment opportunities in 2010 as fear continued to grip the markets. German company Gerresheimer is a good example of the opportunity the portfolio management team found as the fear related to the credit crisis spread through Europe. We were able to buy this high-quality business at a very attractive valuation.

Businesses sold

We generally sell a stake in a business for one of two reasons. First, if our thesis about the business is deemed to be no longer valid. Second, there is a constant culling process whereby we continuously strive to upgrade the quality of the portfolio with better ideas.

During the period, the following businesses were sold as they were no longer as attractive as other investment ideas:

- Makita Corp.
- Interface Inc.
- LCA-Vision Inc.
- Mine Safety Appliances Co.
- BorgWarner Inc.

Interface and Makita were purchased in 2009 after their share prices had declined significantly as investors feared the slowdown in economic growth would cripple their businesses. As this fear was proven untrue, their share prices rebounded drastically in 2010 and the positions were sold.

Proceeds from the sale of these positions were redeployed into existing positions or new positions during the year.

Portfolio composition

Sector exposure

Overall sector exposure shifted primarily as a result of investment decisions and changes in stock prices. The most significant change was an increase of approximately 11% in Cymbria's information technology holdings, largely a result of new companies purchased such as Altera and Western Union. Other significant changes include a decline in Cymbria's exposure to consumer discretionary stocks, primarily due to the sale of BorgWarner and Makita.

Portfolio transactions are a result of our "bottom-up" stock selection process. We don't construct Cymbria with an index or benchmark in mind. As a result, Cymbria's composition is typically very different than its benchmark index.

EdgePoint Wealth Management Inc.

During 2010, EdgePoint Wealth experienced a significant growth in its business. Assets under management increased from \$791 million at December 31, 2009 to \$1.54 billion at December 31, 2010. With the growth in the business, Cymbria's shares of EdgePoint Wealth Management Inc. were re-valued using a discounted cash flow ("DCF") method. Some of the significant assumptions that go into the DCF model include: annual market growth; annual net sales; projected expenses including corporate income taxes; adjustments for being a private company; and discount rates. The DCF model projects our view of the business over the next 5 years. Using the DCF model, Cymbria's interest in EdgePoint Wealth was determined to be between \$8.92 million and \$11.99 million. For financial statement purposes, a value of \$8.92 million was used. To the extent that actual results cause significant changes to the assumptions used in the model during 2011, we will update the valuation determined by the model. We will evaluate all of the significant assumptions in the model at least annually based on actual performance or when we are aware of an occurrence that may have a significant impact on one or more of the assumptions.

Income, fees, and expenses

The management expense ratio (MER) decreased from 1.53% to 1.40% for Class A shareholders and from 0.97% to 0.86% for Class J shareholders. The decrease in the MER before waivers is largely a result of the growth of EdgePoint Wealth Management Inc. Cymbria has the benefit of being able to share certain general and administrative expenses and portfolio management costs with EdgePoint Wealth Management Inc. As EdgePoint's funds grow in size, Cymbria benefits from the economies of scale achieved by sharing some of these expenses over a much larger investor base, reducing the overall costs to Cymbria.

Income from dividends increased approximately 49% for the year ended December 31, 2010 over December 31, 2009. A dividend received from EdgePoint Wealth and a special dividend that was declared by Ryanair Holdings PLC were the largest contributors to this increase. Interest income decreased for the year ended December 31, 2010 over December 31, 2009 primarily as a result of a decrease in the fixed income portion of the portfolio from 1.79% at the end of 2009 to 0.04% at the end of 2010.

Total management and service fee expenses have increased as a result of the growth in the portfolio. However, in aggregate, notwithstanding the increase in sales taxes charged to Cymbria, the remaining operating expenses in the portfolio decreased. The decrease in expenses is primarily a result of the cost-sharing arrangements with EdgePoint Wealth.

Effective July 1, 2010, Ontario and British Columbia harmonized their provincial sales taxes with the federal Goods and Services Tax (GST). This new harmonized sales tax (HST) will generally use the same rules and tax base as the GST. This has had a significant impact to the shareholders of Cymbria (and to investors across the entire industry) as the majority of Cymbria's expenses were previously not subject to Ontario's 8% provincial sales tax.

Various documents were released by the Department of Finance detailing the proposed changes to the HST rules governing financial institutions that relate to the calculation of the provincial component of the HST. A qualifying Selected Listed Financial Institution (“SLFI”) is required to pay a “blended rate” HST on its expenses based upon where its shareholders reside and the market value of their shares, as opposed to where the goods or services were acquired. Unfortunately, Cymbria does not meet the definition of a SLFI as outlined by the Department of Finance and will be required to pay sales taxes based on the province in which the goods and services are acquired. As the majority of Cymbria’s service providers reside in Ontario, the new HST has effectively increased the sales tax paid by Cymbria on its operating expenses from 5% to 13%.

This added 0.04% (or 4 basis points) to the MER of the Class A Shares and 0.03% (or 3 basis points) to the MER of the Class J Shares in 2010. As the HST will be in effect for the full year in 2011, the HST will add approximately 0.08% (or 8 basis points) to the MER of the Class A Shares and 0.04% (or 4 basis points) to the MER of the Class J Shares.

Shareholder activity

There was no material shareholder activity during the year. Cymbria re-filed a Normal-Course Issuer Bid (NCIB) during the year; however, there were no repurchases of outstanding shares under the NCIB. Cymbria will use the NCIB to repurchase shares in the event that we believe the company is not being valued appropriately by the market and an attractive opportunity exists to enhance the value for its shareholders.

Recent Developments

A good time to invest can occur when failure is taken for granted. 2010 seemed to be such a year. Macro fears including high unemployment levels, household deleveraging, sovereign debt risks, austerity measures, the battle between the dual evils of inflation and deflation, and other investment-related worries making headlines have led to a massive rush into investments labelled as “safe.” With little hope for the future on the part of investors, cash and bonds have become popular “safe” havens.

What seems to be forgotten by the average investor is that safety is entirely a function of the price paid. At the wrong price, a perceived safe investment can be the riskiest to own.

As a result of macro-economic fears, many investors perceive equities to be overly risky. This fear has provided us with the ability to buy companies with future growth potential not reflected in their current stock prices.

These comments shouldn’t be interpreted as us “cheerleading for the stock market.” As we’ve said in the past, we believe the economy could be slower for longer than most people expect, which could mean limited upside for the stock market. However, during periods of indiscriminate selling, businesses that are able to grow through economic malaise are thrown out with the vast majority of businesses that can’t. It’s our job to find these mispriced opportunities.

In the face of this large wave of negative macro sentiment, we remained firmly focused on our competitive strengths.

International Financial Reporting Standards

On January 12, 2011, the Canadian Accounting Standards Board published amendments to the Canadian Institute of Chartered Accountants’ (“CICA”) Handbook that provide a two-year deferral of the transition to International Financial Reporting Standards (“IFRS”) for investment companies. For fiscal years beginning on or after January 1, 2013, investment companies including Cymbria will be required to implement IFRS for interim and annual financial statements. Until then, Cymbria will continue to apply the accounting standards from Part V of the CICA Handbook.

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 the 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. Cymbria’s shares do not contain a redemption feature and are therefore not puttable and will remain classified as equity. As well, all of the investments owned by Cymbria, including EdgePoint Wealth Management Inc., will remain accounted for at fair value.

Related Parties

Manager

Cymbria is managed by EdgePoint Investment Group Inc. (“EdgePoint”), who is responsible for the day-to-day operations of Cymbria. As Manager, EdgePoint also provides (or arranges for) investment management, marketing and promotion of Cymbria, as well as transfer agency services and shareholder reporting and servicing. These services are in the normal course of operations and are charged at the rate agreed to by the parties.

As compensation for providing these management services, EdgePoint receives a monthly management fee based on the daily average net asset value of each class of shares of Cymbria (see *Management Fees*). In addition, EdgePoint is entitled to be reimbursed by Cymbria for certain operating expenses.

Investment Advisor

EdgePoint is also the portfolio advisor to Cymbria. EdgePoint is entitled to be reimbursed by Cymbria for certain operating expenses associated with its advisory services.

Independent Review Committee

EdgePoint has appointed an Independent Review Committee (“IRC”) consisting of three independent members and established under the Canadian Securities Administrators’ National Instrument 81-107. The IRC’s mandate is to review and provide input on EdgePoint’s written policies and procedures that pertain to conflict of interest matters with respect to Cymbria and other EdgePoint-managed funds including affiliates of EdgePoint. Additional information about the IRC is available in the Simplified Prospectus and Annual Information Form for Cymbria. The IRC members receive fees and reimbursement of expenses for services provided to Cymbria.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about Cymbria and is intended to help you understand Cymbria's financial performance for the years ended December 31, 2010 and 2009, and the period from inception to December 31, 2008. The inception date for Cymbria is November 4, 2008. This information is derived from Cymbria's financial statements.

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

	Class A			Class J		
	Dec. 31, 2010	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2010	Dec. 31, 2009	Dec. 31, 2008
	\$	\$	\$	\$	\$	\$
Net Assets, beginning of the period *	11.96	9.47	10.00	12.54	9.85	10.00
Increase (decrease) from operations:						
Total revenue	0.21	0.16	0.03	0.22	0.17	0.03
Total expenses	(0.16)	(0.19)	(0.03)	(0.12)	(0.14)	(0.03)
Realized gains (losses) for the period	1.04	1.07	(0.22)	1.10	1.13	(0.24)
Unrealized gains (losses) for the period	0.27	1.45	0.12	0.25	1.52	0.09
Total increase (decrease) from operations	1.36	2.49	(0.10)	1.45	2.68	(0.15)
Net Assets, end of the period	13.31	11.96	9.47	14.01	12.54	9.85

* for 2008, represents initial Net Assets

Notes

1. Net Assets per Share is calculated as follows:

- 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 ("GAAP Net Assets") differs from the net asset value calculated for fund pricing purposes ("NAV"). An explanation of the differences can be found in the notes to the financial statements.
- 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. Therefore, the beginning of period net assets plus the increase (decrease) from operations will not sum to the end of period net assets.
- Cymbria's stated policy is to not pay dividends or distributions to shareholders.

FINANCIAL HIGHLIGHTS (continued)

Ratios and Supplemental Data (Note 2)

	Dec. 31, 2010	Class A Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2010	Class J Dec. 31, 2009	Dec. 31, 2008
Total net asset value (\$000's)	193,443	172,298	132,639	129,794	116,757	90,882
Number of shares outstanding (000's)	14,331	14,273	14,209	9,067	9,122	9,182
Management expense ratio (note 3) ~	1.40%	1.53%	1.94%	0.86%	0.97%	1.43%
Management expense ratio before waivers or absorptions ~	1.40%	1.53%	1.94%	0.86%	0.97%	1.43%
Net asset value per share	\$13.50	\$12.07	\$9.34	\$14.32	\$12.80	9.90
Closing market price (note 6)	\$13.40	\$13.60	\$10.43	N/A	N/A	N/A

Fund Level Ratios

	Dec. 31, 2010	Dec. 31, 2009	Dec. 31, 2008
Trading expense ratio (note 4) ~	0.10%	0.23%	1.53%
Portfolio turnover rate (note 5) ~	42.57%	64.60%	6.81%

~ 2008 annualized

Notes

- The financial information presented in the Ratios and supplemental data table is derived from Cymbria's pricing net asset values ("NAV") and is provided as at December 31, 2010, December 31, 2009 and December 31, 2008.
- 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 commissions and other portfolio transaction costs, as a percentage of the average daily net asset value of each class of Cymbria on an annualized basis.
The Manager, at its sole discretion, waives management fees or absorbs expenses. Such waivers and absorptions can be terminated at any time. The MERs of the Fund are shown both with and without the waiver and absorptions.
- 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 the fund level and applies to all classes of Cymbria.
- Portfolio turnover rate is calculated at the fund 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 taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.
- Cymbria's Class J shares are not traded on a stock exchange.

Management Fees

As compensation for services provided, EdgePoint, the Manager of Cymbria, receives a monthly management fee based on the daily average Net Asset Value of both Class A Shares and Class J Shares (see Note 5 of the audited annual financial statements) excluding the value of EdgePoint Wealth Management Inc.

EdgePoint charges Class A shareholders 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 year ended December 31, 2010, approximately 100% of the service fees that Class A shareholders of Cymbria paid to EdgePoint were used to fund service fees paid to registered dealers whose clients held Class A shares of Cymbria.

For the year ended December 31, 2010, a breakdown of the services received in consideration of the management fees as a percentage of the management fees is as follows:

	General and Administrative Expenses and Profit
Class A	N/A*
Class J	100%

*in accordance with the Management Agreement, Class A Shareholders did not pay any management fees during the period.

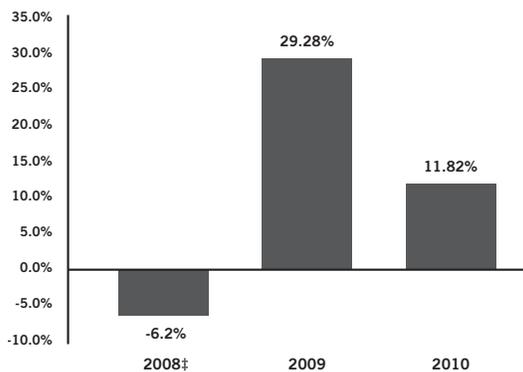
Past Performance

This section shows Cymbria’s past performance. Past performance includes changes in security value and assumes the reinvestment of all dividends (if any). It does not take into account sales, redemption, distribution or optional charges, or income taxes payable by any investor that would have reduced individual returns. It is important to note that the past performance is not an indication of how Cymbria will perform in the future. The performance of the Class A shares is shown for both the underlying net asset value of a Class A share and the market value or trading price of a Class A share (CYB). The share price is independent of the underlying net asset value. It may not change in relation to the change in the underlying net asset value and the performance could be either higher or lower than the performance of the underlying net asset value over any given period. The performance of the Class J shares is also shown.

Year-by-Year Returns

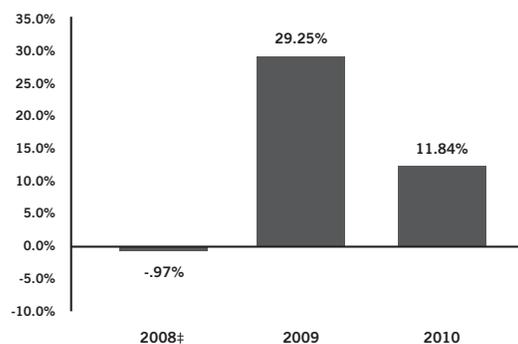
The following bar charts illustrate Cymbria’s performance for each of the periods highlighted. They indicate, on a percentage basis, how much an investment would have made or lost if you invested on the first day of each financial period and held that investment to the last day of each financial period, as applicable. The differing performance between Class A and Class J shares is due largely to varying expenses and corporate income taxes charged to each Class as explained in the Prospectus and the financial statements.

Class A NAV



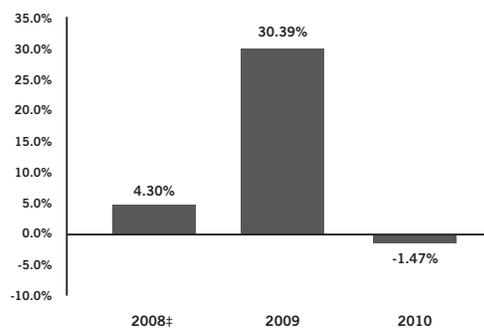
‡Inception to December 31, 2008

Class J NAV



‡Inception to December 31, 2008

Cymbria (CYB) share price return



‡Inception to December 31, 2008

CYMBRIA CORPORATION

Benchmark

Cymbria uses the Morgan Stanley Capital International (MSCI) World Index as its benchmark for long-term performance comparisons. The MSCI World Index is a market-capitalization-weighted index comprised of equity securities available in developed markets globally. While Cymbria uses this Index as its broad-based performance benchmark, Cymbria is not managed relative to the composition of the Index. As a result, Cymbria may, and likely will, experience periods when its performance does not mimic the performance of the Index, either positively or negatively. Please see the *Results of Operations* section of this report for a discussion of recent performance results.

Annual compound returns

The following table compares annual compound returns for Cymbria's Class A NAV, Class J NAV, and Cymbria's Class A shares (CYB) with the Canadian-dollar returns of the MSCI World Index for the periods shown ended December 31, 2010.

	Since inception* (%)	1-year (%)	2-year (%)
Class A NAV±	14.92	11.82	20.24
Class A share price – CYB	14.53	-1.47	13.36
Class J NAV	18.09	11.84	20.24
MSCI World Index	8.27	5.86	9.61

* Cymbria's date of inception was November 4, 2008

± Performance includes expenses associated with the initial public offering

Summary of Investment Portfolio

As at December 31, 2010

Top 25 Positions

Security Name (% of Fund)

1	WellPoint Inc.	5.40%
2	Wells Fargo & Co.	5.34%
3	International Game Technology	5.29%
4	Ryanair Holdings PLC, ADR	4.99%
5	The Progressive Corp.	4.83%
6	International Rectifier Corp.	4.81%
7	Willis Group Holdings PLC	4.80%
8	Western Union Co.	4.77%
9	Research in Motion Ltd.	4.73%
10	Altera Corp.	4.18%
11	Kinetic Concepts Inc.	3.46%
12	Pool Corp.	3.20%
13	JPMorgan Chase & Co.	3.12%
14	Alere Inc.	3.05%
15	Hughes Communications Inc.	3.05%
16	EdgePoint Wealth Management Inc.	2.76%
17	Cisco Systems Inc.	2.58%
18	Grafton Group PLC	2.57%
19	Team Inc.	2.56%
20	Knoll Inc.	2.51%
21	Gerresheimer AG	2.47%
22	Hamamatsu Photonics K.K.	2.24%
23	Nalco Holding Co.	2.17%
24	Tognum AG	1.98%
25	HORIBA Ltd.	1.98%
Total		88.84%

Sector Exposure

Sector (% of Fund)

Information Technology	31.02%
Health Care	16.27%
Industrials	14.62%
Consumer Discretionary†	10.76%
Insurance	9.63%
Diversified Financials	5.88%
Banks	5.34%
Cash, cash equiv. and other net assets	2.29%
Materials	2.17%
Media	1.98%
Corporate Bonds	0.04%
Total	100.00%

† Media companies shown separately

The investment portfolio may change due to ongoing portfolio transactions of the investment fund. An updated listing is available quarterly.

Financial Statements of

CYMBRIA CORPORATION

Years ended December 31, 2010 and 2009

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements have been prepared by the Manager, EdgePoint Investment Group Inc., on behalf of Cymbria Corporation ("Cymbria"). Management is responsible for the information and representations contained in these financial statements.

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 assumptions. The significant accounting policies that management believes are appropriate for Cymbria are described in note 2 to the financial statements.

KPMG LLP, the external auditor of Cymbria, has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to shareholders 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 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.



Patrick Farmer
Chairman
March 11, 2011



Norman Tang
Chief Financial Officer
March 11, 2011

CYMBRIA CORPORATION

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Cymbria Corporation

We have audited the accompanying financial statements of Cymbria Corporation, which comprise the statements of net assets as at December 31, 2010 and 2009, the statement of investment portfolio as at December 31, 2010, and the statements of operations and changes in net assets for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Cymbria Corporation as at December 31, 2010 and 2009, its investments held as at December 31, 2010 and the results of its operations and changes in its net assets for the years then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants, Licensed Public Accountants

Toronto, Canada

March 11, 2011

CYMBRIA CORPORATION

Statements of Net Assets
As at December 31, 2010 and 2009

	2010	2009
Assets		
Investments, at fair value	\$ 307,526,033	\$ 283,121,354
EdgePoint Wealth Management Inc.	8,917,671	3,371,460
Total investments, at fair value*	316,443,704	286,492,814
Unrealized gain on foreign exchange forward contracts	-	337,171
Cash and cash equivalents	6,871,462	5,263,045
Accrued interest and dividends receivable	197,264	252,142
Other receivables	22,580	94,948
	323,535,010	292,440,120
Liabilities		
Accounts payable and accrued expenses	-	3,491
Payable for securities purchased	-	149,482
Unrealized loss on foreign exchange forward contracts	156,053	-
Income taxes payable	336,947	3,585,159
Deferred share unit plan (note 5)	113,059	66,422
Net future income tax liability (note 7)	5,192,891	3,593,761
	5,798,950	7,398,315
Net assets, representing shareholders' equity	\$ 317,736,060	\$ 285,041,805
Shareholders' Equity		
Share capital (note 3)	\$ 227,847,681	\$ 227,847,716
Surplus (note 4)	47,096,105	20,611,821
Unrealized gain on investments	42,792,274	36,582,268
	\$ 317,736,060	\$ 285,041,805
Shareholders' equity, as represented by net assets:		
Common stock	\$ 100	\$ 100
Class A	190,718,340	170,685,558
Class J	127,017,620	114,356,147
	\$ 317,736,060	\$ 285,041,805
Number of shares outstanding (note 3):		
Class A	14,331,011	14,272,696
Class J	9,066,961	9,121,961
Net assets per share:		
Class A	\$ 13.31	\$ 11.96
Class J	\$ 14.01	\$ 12.54

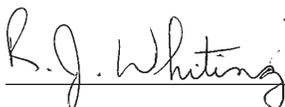
*Cost of investments is reflected on the Statement of Investments.

See accompanying notes to financial statements.

ON BEHALF OF THE BOARD:



James MacDonald, Director



Richard J. Whiting, Director

CYMBRIA CORPORATION

Statements of Operations
Years ended December 31, 2010 and 2009

	2010	2009
Income:		
Dividends	\$ 5,346,853	\$ 3,585,265
Interest	222,083	626,836
	5,568,936	4,212,101
Less foreign withholding taxes	562,037	302,346
	5,006,899	3,909,755
Expenses (note 6):		
Service fees	1,744,133	1,591,697
Management fees	583,698	520,767
Administration, registrar and transfer agent fees	279,741	492,792
Investment research and portfolio maintenance	202,294	239,355
Audit	156,955	54,950
Fund accounting	50,958	51,432
Directors' fees	41,723	58,857
Legal	36,328	64,769
Filing fees	35,430	30,919
Independent Review Committee fees	25,905	36,268
Shareholder reporting	24,179	28,732
Custody	22,613	24,325
Capital tax	-	12,557
Goods and Services Tax/Harmonized Sales Tax	278,723	153,441
	3,482,680	3,360,861
Net investment income before income taxes	1,524,219	548,894
Income taxes (recovery) (note 7):		
Current	(70,767)	59,008
Future	(210)	165,217
	(70,977)	224,225
Net investment income	1,595,196	324,669
Net realized and unrealized gain and transaction costs:		
Net realized gain on sale of investments and foreign exchange, net of income taxes of \$4,565,286 (2009: \$4,464,214)	25,170,361	25,704,023
Transaction costs	(281,273)	(583,812)
Net change in unrealized appreciation of investments, net of an increase in future tax liability of \$1,056,610 (2009: \$5,526,817)	6,210,006	34,579,847
Net gain on investments	31,099,094	59,700,058
Increase in net assets from operations	\$ 32,694,290	\$ 60,024,727
Increase in net assets from operations:		
Class A	\$ 19,482,817	\$ 35,486,003
Class J	\$ 13,211,473	\$ 24,538,724
	\$ 32,694,290	\$ 60,024,727
Increase in net assets from operations, per share:		
Class A	\$ 1.36	\$ 2.49
Class J	\$ 1.45	\$ 2.68

See accompanying notes to financial statements.

CYMBRIA CORPORATION*Statements of Changes in Net Assets
Years ended December 31, 2010 and 2009*

	2010	2009
Class A:		
Net assets, beginning of year	\$ 170,685,558	\$ 134,600,235
Increase in net assets from operations	19,482,817	35,486,003
Capital transactions:		
Share issuance costs	–	(5,652)
Class J to Class A share exchanges	547,246	602,416
Contributed surplus	2,719	2,556
	549,965	599,320
Net assets, end of year	\$ 190,718,340	\$ 170,685,558

	2010	2009
Class J:		
Net assets, beginning of year	\$ 114,356,147	\$ 90,422,423
Increase in net assets from operations	13,211,473	24,538,724
Capital transactions:		
Class J to Class A share exchanges	(550,000)	(605,000)
	(550,000)	(605,000)
Net assets, end of year	\$ 127,017,620	\$ 114,356,147

See accompanying notes to financial statements.

Number of shares or units/ face value	Security	Average cost (\$)	Fair value (\$)	% of net assets
Equities				
309,000	WellPoint Inc.	14,683,428	17,467,039	5.50
559,900	Wells Fargo & Co.	15,685,534	17,244,305	5.43
972,300	International Game Technology	15,000,799	17,099,442	5.38
527,000	Ryanair Holdings PLC, ADR	15,517,481	16,115,759	5.07
789,700	The Progressive Corp.	12,810,863	15,599,613	4.91
526,800	International Rectifier Corp.	8,180,384	15,544,025	4.89
450,900	Willis Group Holdings PLC	13,600,540	15,523,389	4.89
836,000	Western Union Co.	15,077,520	15,433,769	4.86
264,800	Research in Motion Ltd.	16,459,769	15,302,843	4.82
381,900	Altera Corp.	10,989,327	13,512,368	4.25
268,900	Kinetic Concepts Inc.	8,334,596	11,195,701	3.51
461,600	Pool Corp.	8,969,051	10,343,643	3.26
239,300	JPMorgan Chase & Co.	10,184,069	10,089,387	3.18
271,300	Alere Inc.	9,933,306	9,871,535	3.11
245,350	Hughes Communications Inc.	4,568,356	9,863,954	3.10
279,585	EdgePoint Wealth Management Inc.	509,585	8,917,671	2.81
414,200	Cisco Systems Inc.	8,966,565	8,322,048	2.62
1,812,000	Grafton Group Placement PLC	8,138,956	8,320,470	2.62
344,200	Team Inc.	6,113,365	8,280,948	2.61
488,190	Knoll Inc.	6,443,834	8,105,115	2.55
181,470	Gerresheimer AG	6,660,765	7,827,919	2.46
199,300	Hamamatsu Photonics K.K.	5,469,126	7,247,498	2.28
220,400	Nalco Holding Co.	5,784,948	6,998,425	2.20
226,700	HORIBA Ltd.	6,569,303	6,396,794	2.01
522,300	WPP PLC	6,328,886	6,393,510	2.01
244,000	Tognum AG	5,155,834	6,380,104	2.01
999,600	AMN Healthcare Services Inc.	10,099,264	6,101,666	1.92
123,600	Harman International Industries Inc.	2,394,129	5,689,227	1.79
459,400	EXFO Inc.	1,762,878	3,215,800	1.01
2,811,400	Travelsky Technology Ltd.	1,769,139	2,916,166	0.92
617,000	Advanced Analogic Technologies Inc.	2,319,697	2,459,707	0.77
57,700	Takata Corp.	1,583,603	1,698,110	0.53
		266,064,900	315,477,950	99.28
Face Value (\$)	Fixed income			
83,344	TimberWest Forest Trust 9.00% debentures, February 11, 2014	83,354	112,723	0.04
		83,354	112,723	0.04
	Derivatives (note 12)	1,273,663	853,031	0.27
	Adjustment for transaction costs	(509,967)	-	-
	Total investments	266,911,950	316,443,704	99.59

Number of shares or units/ face value	Security	Average cost (\$)	Fair value (\$)	% of net assets
Foreign exchange forward contracts				
	Foreign exchange forward contract to buy CDN 3,936,039 for JPY 320,000,000 with an exchange rate of 0.0123, maturing January 12, 2011	–	3,560	0.00
	Foreign exchange forward contract to buy CDN 10,684,616 for JPY 881,000,000 with an exchange rate of 0.0121, maturing March 7, 2011	–	(159,613)	(0.05)
		–	(156,053)	(0.05)
Other assets less liabilities			1,448,409	0.46
Net assets			317,736,060	100.00

See accompanying notes to financial statements.

1. The Fund:

Cymbria Corporation (“Cymbria”) is a closed-end investment 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 and Investment Advisor of Cymbria.

The financial statements of Cymbria include the Statement of Investments at December 31, 2010 and the Statements of Net Assets as at December 31, 2010 and 2009, and the Statements of Operations and Changes in Net Assets for the years ended December 31, 2010 and 2009 (“financial statements”).

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 amounts 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 price are valued at the last sale or close price. Unlisted or non-exchange traded securities, or securities for which a closing bid price, 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 (“NAV”) (note 13), 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. The Manager will make this determination at least annually.

Short-term investments, including short-term debt instruments maturing within 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) or the forward ask rate (for currency sold short), on the valuation date. Upon closing of a contract, the gain or loss is included in the net realized gain (loss) on the sale of investments and foreign exchange.

(d) Cash and cash equivalents:

Cash and cash equivalents are cash on deposit and short-term notes with maturities less than 90 days which are carried at cost, approximating their fair value.

(e) Other assets and liabilities:

All trade receivables and other accounts receivables are designated as receivables. They are recorded at amortized cost, which approximates their fair values. Similarly, all trade payables and accrued expenses are designated as financial liabilities and recorded at amortized cost, which approximates their fair values.

(f) Investment transactions and income recognition:

All income, net realized and unrealized appreciation, and foreign exchange 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 of investments represents the difference between their average cost and fair value at the year-end date. Dividend income, including stock dividends, is recorded on the ex-dividend date along with withholding taxes on foreign dividends, if any. Interest income is recorded daily on an accrual basis.

Income, expenses other than management and service fees, and realized and unrealized capital gains (losses) are distributed among the different classes of securities in proportion to the amount of equity invested in them. For management and service fees, refer to note 6.

(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 Statements of Operations based on trade date.

2. Significant accounting policies (continued):

(h) Translation of foreign currencies:

The fair values 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 sales of investments, dividends and interest income received in foreign currencies are translated into Canadian dollars at the approximate rates of exchange prevailing on the dates of such transactions. Gains and losses from transactions and the translation of foreign currencies are considered to be investment transactions and, accordingly, are included in the net realized gain or loss on the sale of investments and foreign exchange, or in the net change in unrealized appreciation of investments.

(i) Deferred share unit plan:

On October 28, 2009, Cymbria approved a deferred share unit plan for its independent directors and members of the Independent Review Committee (“IRC”). The plan is described in note 5. Deferred Share Units granted to eligible directors and IRC members are considered to be compensation costs in respect of past performance and are recognized in directors’ fees and IRC fees, respectively. Compensation costs are measured based on the fair market value, as defined in the plan, of Cymbria’s Class A shares on the date of the grant of the Deferred Share Units. The Deferred Share Units earn additional Deferred Share Units related to dividends that would otherwise have been paid if Class A shares, as opposed to Deferred Share Units, had been issued on the date of the grant. The Deferred Share Units are accounted for as a financial liability with changes in their fair value being recognized in directors’ fees and/or IRC fees.

(j) 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.

(k) Increase in net assets from operations per share:

Increase in net assets from operations per share in the Statements of Operations represents the net increase in the net assets from operations for the years for each class divided by the average shares outstanding for each class during the year.

(l) Future changes in accounting policies:

On January 12, 2011, the Canadian Accounting Standards Board published amendments to the Canadian Institute of Chartered Accountants (“CICA”) Handbook that will provide a two-year deferral of the transition to International Financial Reporting Standards (“IFRS”) for investment companies. For fiscal years beginning on or after January 1, 2013, investment companies, including Cymbria, will be required to implement IFRS for interim and annual financial statements. Until this date, Cymbria will continue to apply the accounting standards in Part V of the CICA Handbook.

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. Cymbria’s shares do not contain a redemption feature and are, therefore, not puttable and will remain classified as equity. As well, all of the investments owned by Cymbria, including EdgePoint Wealth Management Inc., will remain accounted for at fair value.

3. Share capital:

Share capital consists of the following:

December 31, 2010	Number of shares	Amount
Authorized:		
Unlimited Class A non-voting, non-redeemable shares		
Unlimited Class J non-voting, non-redeemable shares		
Unlimited common shares		
Class A shares issued:		
Shares outstanding, January 1, 2010	14,272,696	\$ 136,628,006
Class A shares issued in exchange for Class J shares	58,315	547,246
Contributed surplus	–	2,719
Class A shares outstanding, December 31, 2010	14,331,011	137,177,971
Class J shares issued:		
Shares outstanding, January 1, 2010	9,121,961	\$ 91,219,610
Class J shares exchanged for Class A Shares	(55,000)	(550,000)
Class J shares outstanding, December 31, 2010	9,066,961	90,669,610
Common shares outstanding, December 31, 2010	100	\$ 100
		<u>\$ 227,847,681</u>

3. Share capital (continued):

December 31, 2009	Number of shares	Amount
Authorized:		
Unlimited Class A non-voting, non-redeemable shares		
Unlimited Class J non-voting, non-redeemable shares		
Unlimited common shares		
Class A shares issued:		
Shares outstanding, January 1, 2009	14,208,502	\$ 136,028,686
Class A shares issued in exchange for Class J shares	64,194	602,416
Contributed surplus	–	2,556
Share issuance costs	–	(5,652)
Class A shares outstanding, December 31, 2009	14,272,696	136,628,006
Class J shares issued:		
Shares outstanding, January 1, 2009	9,182,461	\$ 91,824,610
Class J shares exchanged for Class A Shares	(60,500)	(605,000)
Class J shares outstanding, December 31, 2009	9,121,961	91,219,610
Common shares outstanding, December 31, 2009	100	\$ 100
		<u>\$ 227,847,716</u>

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.

4. Surplus (deficit):

The changes in surplus (deficit) for the years ended December 31, 2010 and 2009 were as follows

	2010	2009
Opening surplus (deficit)	\$ 20,611,821	\$(4,833,059)
Net investment income	1,595,196	324,669
Net realized gain on sale of investments and foreign exchange, net of transaction costs	24,889,088	25,120,211
Closing surplus	\$ 47,096,105	\$20,611,821

5. Deferred share unit plan:

During 2009, Cymbria implemented a deferred share unit plan which entitles independent directors and members of the IRC, at their option, to receive all of their Cymbria-related compensation in the form of Deferred Share Units. The number of Deferred Share Units awarded is based on the fair market value, as defined by the plan, of the

Class A shares on the award date. The Deferred Share Units earn additional Deferred Share Units related to dividends that would otherwise have been paid if Class A shares, as opposed to Deferred Share Units, had been issued on the date of the grant. The number of Deferred Share Units issued with respect to dividends is based on the fair market value of the Class A shares, as defined in the plan, on the date dividends are paid. On the redemption of Deferred Share Units, the participants can elect to receive either a cash payment equal to the fair market value, as defined in the plan, of the Deferred Share Units credited to the participant's account, or the equivalent number of Class A shares purchased in the open market on behalf of the participant. The plan is considered to be unfunded and the rights of the participants are no greater than those of an unsecured creditor of Cymbria.

The following table summarizes the Deferred Share Unit activity during the year:

December 31, 2010	Units outstanding	Amount
Opening Deferred Share Units, January 1, 2010	4,884	\$ 66,422
Granted during 2010 (fair value on grant date)	3,611	46,500
Cumulative fair value adjustments during the year	–	137
Balance, December 31, 2010	8,495	\$ 113,059

December 31, 2009	Units outstanding	Amount
Opening Deferred Share Units, January 1, 2009	–	\$ –
Granted during 2009 (fair value on grant date)	4,884	61,057
Cumulative fair value adjustments during the year	–	5,365
Balance, December 31, 2009	4,884	\$ 66,422

A maximum of 1,000,000 Deferred Share Units may be awarded under the plan, with the maximum value of Deferred Share Units awarded to participants within any one-year period not to exceed \$100,000 per participant.

6. 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. Beginning on November 5, 2011 and continuing until November 4, 2015, 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.

6. Management and service fees and expenses: (continued)

Beginning on November 5, 2015 and thereafter, the Manager will charge a management fee at an annual rate of 1% 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% 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. Beginning on and including November 5, 2015, 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, but are not limited to, 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 NAVs of each class.

7. Income taxes:

Cymbria, as a public corporation, is subject to income taxes on its net investment income and net realized gain on investments at rates of approximately 31.0% and 15.5%, 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 26.7% on investment income and 13.3% on net realized gains.

There are no remaining realized capital losses for tax purposes that may be carried forward.

The total provision for income taxes in the statement of operations is at a rate less than the combined federal and provincial statutory rate for the following reasons:

	2010	2009
Net investment income before income taxes	\$ 1,524,219	\$ 548,894
Tax at the combined statutory rate: 31.0% (2009: 33.0%)	\$ 472,508	\$ 181,135
Increase (decrease) in provision due to:		
Non-taxable Canadian dividends	(384,597)	(118,561)
Adjustments to previous tax accruals	(171,034)	-
Change in rate applied to future tax assets	(210)	165,217
Other	12,356	(3,566)
Net income tax expense (recovery)	\$ (70,977)	\$ 224,225

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

	2010	2009
Share issuance costs	\$ 1,390,536	\$ 1,933,056
Unrealized appreciation of investments	(6,583,427)	(5,526,817)
Net future income tax liability	\$ (5,192,891)	\$ (3,593,761)

8. Brokerage commissions:

Commissions paid to brokers in connection with portfolio transactions are disclosed in the Statements of Operations. Brokerage business is allocated to brokers based on an assessment as to which broker can deliver to Cymbria 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 that may or may not be used by the Investment Advisor in its investment decision making process. As at December 31, 2010, the Investment Advisor has commission-sharing or "soft dollar" arrangements with certain brokers in which third-party services were paid for by brokers. These services represent less than 1% of total brokerage commissions paid by Cymbria. 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.

9. Financial instruments:

Essentially all of the assets and liabilities of Cymbria are financial instruments. These financial instruments comprise investments, unrealized gain on foreign exchange forward contracts, cash, trade receivables and other accounts receivable, trade payables, and accrued expenses. Investments are recorded at fair value based on the accounting policies described in note 2(b). All other financial instruments are carried at cost or amortized cost, which, given their short-term nature, closely approximates their fair values.

10. Fair value measurement:

Cymbria's hierarchy used for disclosing the fair value of portfolio investments based on the inputs used is summarized below:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., as derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Changes in valuation methods may result in transfers into or out of an investment's assigned level.

The following is a summary of the inputs used as at December 31, 2010 in valuing Cymbria's investments and derivatives at fair values:

December 31, 2010	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Equities	\$ 306,560,279	-	\$ 8,917,671	\$ 315,477,950
Bonds	-	112,723	-	112,723
Options - long	853,031	-	-	853,031
Foreign exchange forward contracts	-	(156,053)	-	(156,053)
Total Investments	\$ 307,413,310	\$ (43,330)	\$ 8,917,671	\$ 316,287,651

December 31, 2009	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Equities	\$ 278,020,148	\$ -	\$ 3,371,460	\$ 281,391,608
Bonds	-	2,196,615	-	2,196,615
Convertible debentures	-	2,904,591	-	2,904,591
Short-term notes	-	4,999,472	-	4,999,472
Foreign exchange forward contracts	-	337,171	-	337,171
Total Investments	\$ 278,020,148	\$ 10,437,849	\$ 3,371,460	\$ 291,829,457

During the years ended December 31, 2010 and 2009, there were no equity investments that were transferred between levels.

The shares of EdgePoint Wealth Management Inc. are the only Level 3 investments held by Cymbria at December 31, 2010. Since EdgePoint Wealth Management Inc. is a private company and not traded on any public exchange, it is considered to be a Level 3 asset because there is no market in which a share price can be readily observed. The value of EdgePoint Wealth Management Inc. is determined by using a discounted cash flow analysis as well as a number of other recognized valuation methodologies for comparable businesses such as price to assets under management and price to earnings ratios. These

data points are then compared to analyst reports and information available for publicly-traded wealth management companies in order to determine a range of values for the business. The Manager determines the most appropriate valuation methodologies to use which could be subject to change.

During the years ended December 31, 2010 and 2009, the reconciliation of EdgePoint Wealth Management Inc. measured at fair value using unobservable inputs (Level 3) is presented as follows:

December 31, 2010	Common shares
Beginning balance at January 1, 2010	\$ 3,371,460
Net change in unrealized appreciation of investments	5,546,211
End balance at December 31, 2010	\$ 8,917,671

December 31, 2009	Common shares
Beginning balance at January 1, 2009	\$ 279,585
Purchases	230,000
Net change in unrealized appreciation of investments	2,861,875
End balance at December 31, 2009	\$ 3,371,460

The potential impact of using reasonable possible alternative assumptions for valuing EdgePoint Wealth Management Inc. would increase the fair value by up to \$3,069,162 (2009: \$2,400,000).

11. Financial instrument risks:

In the normal course of business, Cymbria is exposed to a variety of financial risks: market risk (comprised of market price risk, foreign currency risk and interest rate risk), counterparty 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 in which it invests.

(a) Risk management:

Cymbria seeks to provide long-term capital appreciation by investing primarily in global companies that the portfolio management team believes have strong competitive positions, long-term growth prospects and that are run by strong management teams. The team acquires ownership stakes at prices that are below their assessment of each 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 and this is weighed against its return potential.

11. Financial instrument risks: (continued)

Risk is further managed by investing in a diversified portfolio of companies. The team believes that investing in businesses that have competitive advantages in 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 and Chief Investment Officer 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.

(b) Market risk:

(i) 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 factors affecting all securities traded in a market or industry sector. All investments present a risk of loss of capital. The maximum risks resulting from financial instruments are equivalent to their fair values. 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 5.0% as at December 31, 2010, with all other variables held constant, the net assets of Cymbria would have increased or decreased, respectively, by approximately \$15.77 million or 4.9% of total net assets (2009: \$14.07 million or 4.9% of total net assets). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(ii) Foreign currency risk:

Foreign 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 (excluding the Canadian dollar) to which Cymbria had exposure as at year end in Canadian dollar terms, including the underlying principal of forward exchange contracts, if any:

December 31, 2010 – (\$000's)				
Currency	Investments	Cash	Foreign exchange contracts	Total*
British pound	6,394	–	–	6,394
Euro	22,528	–	–	22,528
Hong Kong dollar	2,916	–	–	2,916
Japanese yen	15,343	–	(14,777)	566
U.S. dollar	257,017	6,481	–	263,498
	304,198	6,481	(14,777)	295,902
% of net assets	95.7%	2.0%	(4.6)%	93.1%

*includes both monetary and non-monetary financial instruments

December 31, 2009 – (\$000's)				
Currency	Investments	Cash	Foreign exchange contracts	Total*
British pound	4,146	–	–	4,146
Euro	7,854	149	–	8,003
Hong Kong dollar	2,940	–	–	2,940
Japanese yen	3,374	–	–	3,374
U.S. dollar	249,475	4,500	(19,499)	234,476
	267,789	4,649	(19,499)	252,939
% of net assets	93.9%	1.6%	(6.8)%	88.7%

*includes both monetary and non-monetary financial instruments

As at December 31, 2010, if the Canadian dollar had strengthened or weakened by 1.0% in relation to all foreign currencies, with all other variables held constant, Cymbria's net assets would have increased or decreased, respectively, by approximately \$2.96 million or 0.9% of total net assets (2009: \$2.53 million or 0.9% of total net assets). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(iii) 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 primarily short-term in nature and are, generally, not interest-bearing. Therefore, Cymbria's exposure to interest rate risk is considered insignificant.

11. Financial instrument risks: (continued)

(c) Credit risk:

Credit risk is the risk that the counterparty to a financial instrument will fail to honour 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 also has credit risk in its holdings of fixed-income debt instruments. The fair value of debt securities includes consideration of the credit worthiness of the debt issuer. The maximum credit risk of these investments is their carrying value at December 31, 2010. At December 31, 2010, Cymbria was invested in debt securities with the following credit ratings:

December 31, 2010	% of Net Assets	% of Debt Instruments
BBB	0.04	100.00
Total	0.04	100.00

December 31, 2009	% of Net Assets	% of Debt Instruments
BBB	0.11	6.38
BB	0.66	36.68
B	1.02	56.94
Total	1.79	100.00

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.

(d) 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, 2010, illiquid securities represent

2.81% (2009: 1.2%) of Cymbria's net assets. The main illiquid asset is Cymbria's investment in EdgePoint Wealth Management Inc., which is not publicly 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 year.

12. Schedule of derivatives:

Put options Japan-USD	Expiry date	Strike price	Number of shares	Average cost \$	Fair value \$
Mar/125 PO	3/29/2013	125.00	11,540,000	88,592	40,785
Mar/125 PO	3/29/2013	125.00	21,428,538	113,725	75,733
Mar/125 PO	3/29/2013	125.00	11,435,000	88,630	40,413
Mar/140 PO	3/29/2013	140.00	13,630,000	44,302	21,694
Jul/100 PO	7/18/2013	100.00	9,080,000	293,200	195,316
Aug/115 PO	8/23/2013	115.00	26,474,351	214,180	237,271
Aug/115 PO	8/23/2013	115.00	25,118,616	214,180	225,120
Sep/100 PO	9/27/2013	100.00	5,540,000	173,143	13,626
Sep/115 PO	9/27/2013	115.00	5,540,000	43,711	3,073
				\$1,273,663	\$853,031

13. 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 into account the future income tax liability on the unrealized gain on investments, as well as the future tax benefits associated with the share issuance costs and any realized losses on investments. The 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 on a per share basis is as follows:

	NAV	GAAP Net Assets
December 31, 2010		
Class A	\$ 13.50	\$ 13.31
Class J	\$ 14.32	\$ 14.01
December 31, 2009		
Class A	\$ 12.07	\$ 11.96
Class J	\$ 12.80	\$ 12.54

14. Comparative figures:

Certain 2009 comparative figures have been reclassified to conform to the financial statement presentation adopted in 2010.

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GEOFF MACDONALD, CFA

Co-Chief Executive Officer

DIANE ROSSI

Corporate Secretary

NORMAN TANG, CA

Chief Financial Officer

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JOSEPH SHAW, CFA, Chair

DAVID COHEN

SCOTT COOPER

DIRECTORS

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TORONTO STOCK EXCHANGE LISTING

CYB

CYMBRIA CORPORATION

COMPANY CREED

At the launch of EdgePoint, we put in place a foundation of commitments that govern our company. Our commitments, as well as the belief from which each one was born, are listed here:

1. We will put our investment partners (investors and their advisors) first in all business decisions

We believe that investors and their advisors should be treated as our investment partners. When faced with a decision, we'll be guided by the belief that what matters is our investment partners and what's important to them.

2. We will consistently adhere to our investment approach

We believe in our deceptively simple investment approach: Buy good, undervalued businesses and hold them until the market recognizes their full potential. We believe this requires an ability to think independently and a commitment to embrace the thorough research required to uncover opportunities that the market doesn't fully appreciate.

3. We will partner with financial advisors

We believe that investors should seek out professional financial advice. A skilled and principled financial advisor can offer effective advice in helping reach financial goals. We hope advisors will recommend our investment products but understand that they may not. We believe that's their value to their clients: independent objective advice.

4. We will focus on delivering superior service to our investment partners

We believe in the importance of highly responsive service, especially when you've entrusted us with your investments.

5. We will invest in our investment products alongside our investment partners

We believe that our employees should invest their personal wealth in our company's products. We believe that a personal commitment to products by employees fosters a strong sense of accountability and ensures that employees' interests are aligned with our investors'.

6. We will use investment results and not asset growth as our benchmark for achievement

We believe in the importance of being an investment-led organization as opposed to a sales- and marketing-led firm. We believe the difference between these two types of organizations is material. A sales- and marketing-led company spends more time and money gathering assets than they do investing the money they've already gathered. An investment-led organization focuses the majority of its efforts on building wealth.

7. We will build a distinct culture where our employees think and act like owners

We believe that employees who think and act like owners make better long-term decisions. We believe long-term thinking from our employees will enhance the long-term wealth of our investment partners.

8. We will communicate with our investment partners regularly and honestly

We believe informed investors and advisors make better decisions. We believe the ingredients of success in the wealth management business are investment results and reputation. We believe that the bond between both is setting expectations through open and honest communication.

9. We will endeavour to keep "it" simple

We believe achieving superior investment results isn't simple. However, there are aspects of the investment management industry that have become unnecessarily complex. We will endeavour to keep our offerings, our company and our interactions with our partners as simple as we can.
