
DFA International Value Fund

Management Report of Fund Performance

For the Year ended December 31, 2008

The annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling Dimensional Fund Advisors Canada ULC, formerly Dimensional Fund Advisors Canada Inc. ("Dimensional") collect at 604-685-1633, by writing to Dimensional at 1500 West Georgia Street, Suite 1520, Vancouver, BC, Canada, V6G 2Z6 or by visiting Dimensional's website at www.dfacanada.com or SEDAR at www.sedar.com.

Unitholders may also contact Dimensional using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

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Investment Objective and Strategies

The DFA International Value Fund (“Fund”) pursues long-term capital growth by investing primarily in stocks of non-Canadian and non-U.S. companies that Dimensional Fund Advisors LP (“Dimensional U.S.”), the Fund’s sub-advisor, determines to be value stocks at the time of purchase.

The Fund will generally purchase a broad and diverse group of readily marketable equity securities of non-Canadian and non-U.S. companies in countries with developed markets that Dimensional U.S. considers to be “value” stocks. Generally, value is assessed based on the stock’s market price relative to one or more fundamental characteristics. For example, Dimensional U.S. may consider a stock to be a value stock if the company has a high book value, earnings, or cash flow relative to the market price of the company’s stock.

Risk

There were no material changes to the Fund over the course of the year affecting the overall risk exposure. The Fund will continue to be fully exposed to international equity market risk, as well as the risks associated with investments in value stocks, which may behave differently from conventional benchmarks such as the MSCI EAFE® Value Index (net dividends) (“Index”). Currency movements had a mostly positive effect on the Fund’s returns over the past year but currency risk will remain in the future. The Fund engages in securities lending transactions and, as a result, may be exposed to securities lending risk. Securities lending risk includes the risk that the value of collateral held by the Fund may be insufficient to fully replace loaned securities and the risk of defaults on the obligations to return the securities to the Fund. These risks may make an investment in the Fund riskier than if the Fund did not lend securities. Investors are encouraged to read the descriptions of securities lending risk contained in the simplified prospectus. The Fund will also continue to be exposed to the other risks described in the Fund’s simplified prospectus.

Results of Operations

As at December 31, 2008, the Fund held 442 stocks in 21 approved markets, and was essentially fully invested in equities for the period. Average cash levels were in general less than 1% of the Fund’s assets. As a result of the Fund’s investment strategy, performance was determined principally by broad structural trends in non-U.S. and non-Canadian international equity markets, rather than the behaviour of a limited number of stocks. For the year ended December 31, 2008, growth stocks in these markets generally outperformed value stocks. In addition, the value of the Canadian dollar fell relative to the Euro, Swiss franc, and Japanese yen, improving net returns of securities denominated in these currencies when expressed in Canadian terms.

For the year ended December 31, 2008, total returns were -33.76% for the Class F units, -34.52% for the Class A units and -31.53% for the Index. Results for the Index are not diminished

by management and administrative expenses associated with managing a portfolio of securities. Relative to the Index, underperformance of the Class F and Class A units was primarily due to lower exposure to stocks with more pronounced growth characteristics as measured by book-to-market (“BTM”) ratios. A lower exposure to Japanese stocks, which comprised approximately 13% of the Fund compared to the approximately 22% of the Index and experienced the best relative performance compared to the other countries reflected in the Index, also decreased Fund performance. Lower exposures to health care, energy, and utility stocks compared to the Index also contributed to the Fund’s underperformance.

Net returns of Class A units were diminished by a trailer fee payable to securities dealers. Dealers generally pay a portion of these fees to investment professionals for services they provide to their clients.

Recent Developments

International equity markets, affected by credit and liquidity problems similar to those experienced in the U.S. and Canada, experienced high levels of volatility and broadly negative returns for the period under review. Dimensional Fund Advisors Canada ULC, formerly Dimensional Fund Advisors Canada Inc. (“Dimensional”) will continue to pursue a disciplined quantitative approach to identify securities for purchase or sale. In contrast to many investment firms, Dimensional does not seek to predict the future course of business conditions, stock market trends, interest rates, or currency exchange rates. Dimensional believes that securities markets are highly competitive and prices reflect available information quickly enough that efforts to outperform the market ordinarily promise little or no payoff after taking account of research and transaction costs. Dimensional seeks to capture a market rate of return associated with various broad risk factors while minimizing company or industry risk through diversification.

Section 14.2 of amended National Instrument 81-106 (“NI 81-106”) issued by the Canadian Securities Administrators, that came into force on September 8, 2008, requires an investment fund to calculate its daily Net Asset Value for the purchase and redemption of units based on the fair value of the investment fund’s assets and liabilities as determined using the closing price of investments. The Fund has not changed its valuation methodology in its investments in connection with the adoption of this requirement. Changes to the Fund’s accounting policies are fully disclosed in the notes to the financial statements.

Related-Party Transactions

Dimensional is the manager, trustee, and principal portfolio advisor of the Fund. As manager, Dimensional is responsible for overall management and administration of the Fund. As trustee, Dimensional holds legal title to the Fund’s investments in trust for unitholders. For its services, Dimensional receives

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a management fee that is calculated as a percentage of the average net asset value of the Fund. This fee is calculated daily and payable monthly.

As principal portfolio advisor, Dimensional is responsible for managing the investment portfolio of the Fund directly or through sub-advisors. Dimensional has retained its parent company, Dimensional U.S., to act as the Fund's sub-advisor. Dimensional U.S. is responsible for investment analysis and decision making, implementing security transactions, selecting broker-dealers, acquiring research information, voting proxies, and monitoring the Fund's investment guidelines. Dimensional has also engaged its other affiliates,

Dimensional Fund Advisors Ltd. and DFA Australia Limited as sub-advisors to the Fund. The fees of the sub-advisors are paid by Dimensional.

Dimensional has adopted written policies and procedures with respect to the supervision and monitoring of the services provided by Dimensional, Dimensional U.S. and the other sub-advisors to the Fund, and received standing instructions from the Fund's Independent Review Committee ("IRC") to act in accordance with these policies and procedures. These standing instructions require Dimensional to report to the IRC any material exceptions to compliance with these policies and procedures.

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Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years. Per unit data is derived from the Fund's financial statements. The net assets per unit presented in the financial statement differs from the net asset value used in calculating purchase and redemption prices for the fund, due to differences in valuation techniques of certain investments.

Ratio and supplemental data is derived from the Fund's net asset value.

During the year, no Class I units were issued and therefore, no information has been presented for this class of units.

The Fund's Net Assets per Unit (\$) ⁽¹⁾

CLASS A	2008	2007	2006	2005	2004
Net Assets, beginning of year	\$ 15.25	\$ 17.17	\$ 13.15	\$ 12.08	\$ 10.52
Increase (decrease) from operations:					
Total revenue	0.58	0.57	0.42	0.26	0.30
Total expenses	(0.22)	(0.30)	(0.26)	(0.12)	(0.12)
Realized gains (losses) for the year	(0.23)	0.54	0.48	0.14	0.02
Unrealized gains (losses) for the year	(5.20)	(2.38)	3.76	0.81	1.81
Total increase (decrease) from operations⁽²⁾	\$ (5.07)	\$ (1.57)	\$ 4.40	\$ 1.09	\$ 2.01
Distributions:					
From income (excluding dividends)	–	–	–	–	–
From dividends	(0.34)	(0.33)	(0.20)	(0.11)	(0.07)
From capital gains	–	(0.12)	–	–	–
Return of capital	–	–	–	–	–
Total Annual Distributions⁽³⁾	(0.34)	(0.45)	(0.20)	(0.11)	(0.07)
Net Assets, end of year	\$ 9.70	\$ 15.25	\$ 17.18	\$ 13.15	\$ 12.08

CLASS F	2008	2007	2006	2005	2004
Net Assets, beginning of year	\$ 15.53	\$ 17.44	\$ 13.30	\$ 12.16	\$ 10.54
Increase (decrease) from operations:					
Total revenue	0.59	0.58	0.42	0.33	0.26
Total expenses	(0.08)	(0.11)	(0.09)	(0.15)	(0.11)
Realized gains (losses) for the year	(0.24)	0.52	0.48	0.18	0.02
Unrealized gains (losses) for the year	(5.55)	(2.47)	3.93	1.03	1.59
Total increase (decrease) from operations⁽²⁾	\$ (5.28)	\$ (1.48)	\$ 4.74	\$ 1.39	\$ 1.76
Distributions:					
From income (excluding dividends)	–	–	–	–	–
From dividends	(0.49)	(0.47)	(0.32)	(0.17)	(0.13)
From capital gains	–	(0.12)	–	–	–
Return of capital	–	–	–	–	–
Total Annual Distributions⁽³⁾	(0.49)	(0.59)	(0.32)	(0.17)	(0.13)
Net Assets, end of year	\$ 9.88	\$ 15.53	\$ 17.44	\$ 13.30	\$ 12.16

⁽¹⁾ This information is derived from the Fund's audited annual financial statements. The net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements.

⁽²⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial year.

⁽³⁾ Distributions were paid in cash/reinvested in additional units of the Fund, or both.

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Ratios and Supplemental Data

CLASS A	Dec 31, 2008	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005	Dec 31, 2004
Total net asset value (\$) (000's) ⁽¹⁾	30,578	46,844	45,283	27,526	11,058
Number of units outstanding (000's) ⁽¹⁾	3,141	3,067	2,635	2,093	915
Management expense ratio ⁽²⁾	1.71%	1.72%	1.79%	1.90%	1.90%
Management expense ratio before waivers or absorption	1.71%	1.72%	1.73%	1.93%	2.25%
Trading expense ratio ⁽³⁾	0.03%	0.05%	0.09%	0.13%	0.26%
Portfolio turnover rate ⁽⁴⁾	14.12%	21.88%	10.60%	7.04%	2.81%
Net asset value per unit (\$)	9.73	15.27	17.18	13.15	12.08
CLASS F	Dec 31, 2008	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005	Dec 31, 2004
Total net asset value (\$) (000's) ⁽¹⁾	94,927	143,336	128,848	76,747	43,540
Number of units outstanding (000's) ⁽¹⁾	9,577	9,217	7,386	5,770	3,582
Management expense ratio ⁽²⁾	0.60%	0.62%	0.65%	0.90%	0.90%
Management expense ratio before waivers or absorption	0.60%	0.62%	0.62%	0.78%	1.18%
Trading expense ratio ⁽³⁾	0.03%	0.05%	0.09%	0.13%	0.26%
Portfolio turnover rate ⁽⁴⁾	14.12%	21.88%	10.60%	7.04%	2.81%
Net asset value per unit (\$)	9.91	15.55	17.44	13.30	12.16

⁽¹⁾ The information is provided as at December 31 of the period shown.

⁽²⁾ Management expense ratio is based on total expenses (excluding broker commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

⁽³⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

⁽⁴⁾ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

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Management Fees

Dimensional receives a management fee for its service as manager of the Fund. This fee is calculated as a percentage of the net asset value of the Fund and is calculated daily and payable monthly. The table below shows the annual management fee rates for each class of units of the Fund.

Annual Rate	Class A	Class F
Management fees	1.40%	0.40%

Dimensional pays a trailer fee to dealers out of the management fees received for Class A units of the Fund. These trailer fees are generally calculated as a percentage of the average daily net asset value of Class A units of the Fund held by the dealer's clients or by the dealer on behalf of the clients. The maximum annual trailer fee for the Class A units of the Fund is 1.00%. The balance of the management fees are for the general management and administrative services provided to the Fund. The table below shows a breakdown of the services received by the Fund as a percentage of management fees.

	Class A	Class F
Management and administrative services	29%	100%
Trailer fees	71%	0%
	100%	100%

No management fees are charged to the Fund with respect to Class I units. Instead, each Class I investor pays a separate fee directly to the manager of the Fund. During the period, no Class I units of the Fund were outstanding.

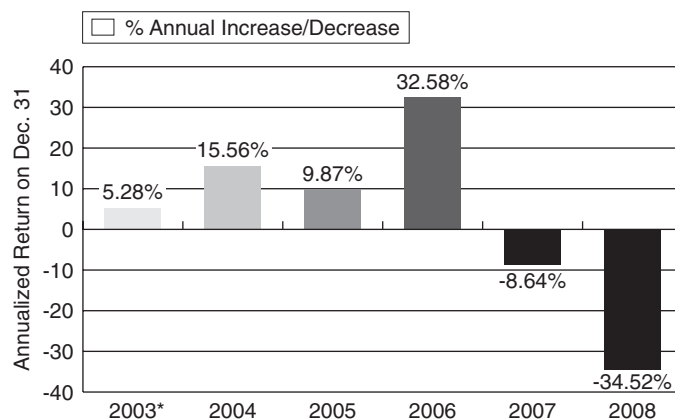
Past Performance

The performance information shown assumes that all distributions made by the Fund during the periods shown were reinvested in additional units of the Fund. The performance information does not take into account any sales, redemption, distribution, or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future. During the period, no Class I units of the Fund were outstanding and therefore, no performance information is presented for this class of units.

Year-by-Year Returns

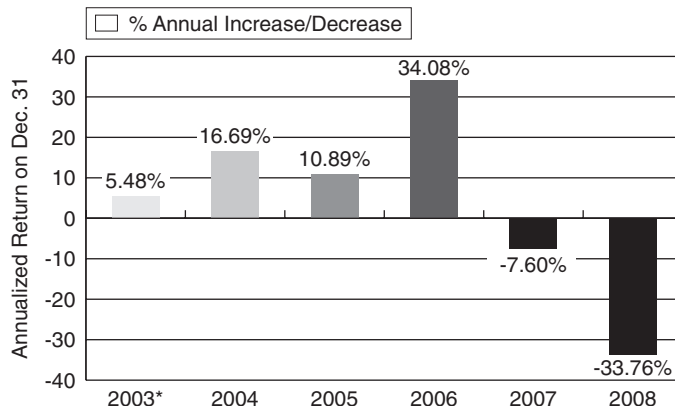
The bar charts show the Fund's annual performance for each of the financial years shown, and how the Fund's performance has changed from year to year. The charts show, in percentage terms, how an investment made on the first day of each financial year would have increased or decreased by the last day of that financial year.

DFA International Value Fund, Class A



* The information for 2003 is for the period from October 29, 2003 to December 31, 2003.

DFA International Value Fund, Class F



* The information for 2003 is for the period from October 24, 2003 to December 31, 2003.

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Annual Compound Returns

The following table compares the Fund's historical annual compound total returns for the periods shown ending on December 31, 2008. The historical annual compound total returns are also compared to the Index.

Index returns are calculated in Canadian dollars on a total return basis; that is, all distributions are reinvested. The Index is comprised of a sample of international companies in Europe, Australasia, and the Far East. Results for the Index are not diminished by management fees, administrative expenses, or taxes associated with managing a portfolio of securities.

Percentage Return:

	1-Year	3-Year	5-Year	10-Year	Since Inception
Class A	-34.52%	-7.43%	0.14%	n/a	1.13%
MSCI EAFE®					
Value Index					
(net dividends)	-31.53%	-6.99%	0.57%	n/a	2.26%

Percentage Return:

	1-Year	3-Year	5-Year	10-Year	Since Inception
Class F	-33.76%	-6.38%	1.21%	n/a	2.21%
MSCI EAFE®					
Value Index					
(net dividends)	-31.53%	-6.99%	0.57%	n/a	2.68%

Summary of Investment Portfolio

as at December 31, 2008

Country Mix	% of Fund's Net Asset Value
Australia	4.13
Austria	0.39
Belgium	0.72
Britain	26.42
Denmark	0.86
Finland	0.92
France	8.97
Germany	12.55
Greece	0.21
Hong Kong	2.47
Ireland	0.07
Italy	2.52
Japan	15.76
Netherlands	4.28
New Zealand	0.12
Norway	0.72
Portugal	0.28
Singapore	1.33
Spain	6.62
Sweden	3.02
Switzerland	6.83
Cash and Cash Equivalents	0.76
Net Other Assets	0.05
	<u>100.00</u>

Top 25 Issuers

	% of Fund's Net Asset Value
Royal Dutch Shell PLC, Class B, ADR	6.17
Vodafone Group PLC	4.29
HSBC Holdings PLC, ADR	3.06
Vodafone Group PLC, Sponsored ADR, Class B	2.60
E.ON AG	2.43
Zurich Financial Services AG	1.97
Allianz AG, Registered Shares	1.92
DaimlerChrysler AG, Registered Shares	1.56
Deutsche Telekom AG, Registered Shares	1.55
Vivendi Universal SA	1.50
Muenchener Rueckversicherungs AG, Registered Shares	1.49
Koninklijke Philips Electronics NV	1.49
Banco Santander SA	1.47
BNP Paribas	1.43
Banco Santander SA, ADR	1.42
HSBC Holdings PLC	1.37
AXA SA	1.34
Credit Suisse Group	1.24
BP PLC, ADR	1.17
Banco Bilbao Vizcaya Argentaria SA, ADR	1.06
Swiss Reinsurance AG, Registered Shares	1.06
Intesa Sanpaolo SpA	1.06
ArcelorMittal	0.98
Deutsche Bank AG, Registered Shares	0.94
Commonwealth Bank of Australia	0.93
	<u>45.50</u>
Total Net Asset Value	\$125,512,530

All holdings of the Fund are long positions.

The Summary of Investment Portfolio may change due to the Fund's ongoing portfolio transactions. Quarterly updates are available within 60 days of each quarter end where an annual or interim report is not published by visiting www.dfacanada.com or by calling Dimensional collect at 604-685-1633 or by writing to Dimensional at Suite 1500 West Georgia Street, Suite 1520, Vancouver, BC, Canada, V6G 2Z6.

Forward Looking Statements

In preparing this document, Dimensional is required to exercise some degree of prediction or projection. As a result, this document may contain forward-looking statements relating to anticipated future events, results, performance, decisions, circumstances, opportunities, risks or other matters. By their nature, these forward-looking statements require Dimensional to make assumptions and are subject to inherent risks and uncertainties. In particular, there is a risk that Dimensional's predictions and other forward-looking statements will not prove to be accurate. A number of factors could cause actual events, results, performance, etc. to differ materially from the targets, expectations, estimates, or intentions expressed or implied in the forward-looking statements. These factors could, among others, include market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business area in which the Fund may invest, and the risks detailed from time to time in the Funds' simplified prospectus. For these reasons, it is important that readers do not place undue reliance on any forward-looking statements.

