

## INVESTMENT OBJECTIVE

The Tax-Managed US Equity Portfolio is a no-load mutual fund designed to capture the returns and diversification benefits of a broad cross-section of US companies, on a market-cap weighted basis. The Portfolio invests in securities of US companies in the market universe. The market universe is comprised primarily of companies listed on the New York Stock Exchange, American Stock Exchange, and Nasdaq Global Market. The Portfolio seeks to delay and minimize the realization of net capital gains, particularly short-term capital gains, in order to minimize taxable distributions to investors.

## PRINCIPAL RISKS

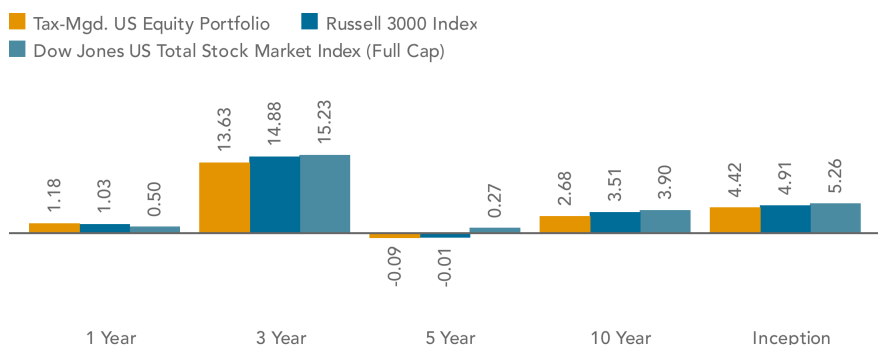
The principal risks associated with this investment are market risk, small company risk, and tax-management strategy risk. Small companies are often less liquid than large companies and thus their value may fluctuate more. These risks are described in the Principal Risks section of the prospectus, available at [dimensional.com](http://dimensional.com).

## FUND COSTS

Management Fee	0.20%
Total Operating Expense Ratio	0.23%
Net Expense Ratio (to investor)	0.22%

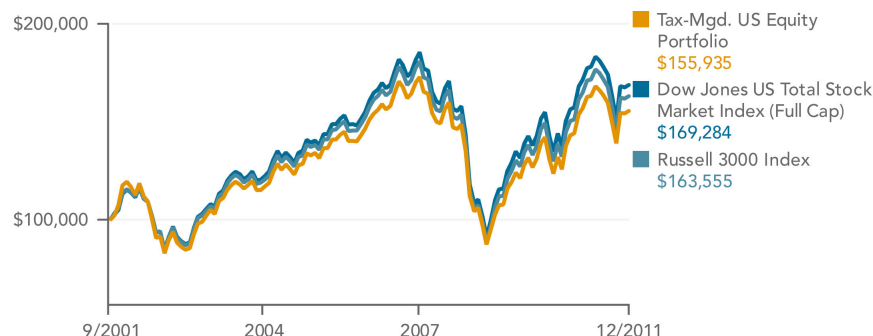
Annual expense ratio as of 10/31/2011. Dimensional has contractually agreed to waive certain fees and assume expenses for a one-year period set to terminate on February 28, 2013 unless renewed. Dimensional may seek reimbursement for amounts previously waived under the conditions outlined in the prospectus. The fund's prospectus contains more complete information on risks, advisory fees, expense reimbursements, and other expenses.

## AVERAGE ANNUAL TOTAL RETURNS (%)



Performance data represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance displayed. The investment return and principal value will fluctuate so that an investment's shares, when redeemed, may be worth more or less than their original cost. Visit [Dimensional.com](http://Dimensional.com) for month-end performance information.

## GROWTH OF \$100,000



## BEST/WORST RETURNS

Since Fund Inception	Best	Worst
Three-Month Total Return	22.78% (3/09-5/09)	-29.92% (9/08-11/08)
One-Year Total Return	50.05% (3/09-2/10)	-41.78% (3/08-2/09)
Three-Year Annualized Average Return	18.81% (4/03-3/06)	-14.78% (3/06-2/09)
Five-Year Annualized Average Return	15.48% (10/02-9/07)	-6.06% (3/04-2/09)

## AFTER-TAX RETURNS

Average Annual Total Returns	One Year	Five Years	Since Inception 9/25/2001
After Taxes on Distributions	0.56%	-0.45%	4.15%
After Taxes on Distributions and Sale of Fund Shares	0.76%	-0.18%	3.78%

# Tax-Mgd. US Equity Portfolio

## ABOUT DIMENSIONAL

In 1981, Dimensional launched its first strategy based on research documenting the stronger performance of US small cap stocks. Our second strategy, a short-term fixed income portfolio launched in 1983, applies Eugene Fama's term structure research. Later, a comprehensive analysis of prices and other research deepened our strategy repertoire and set a new standard for portfolio design.

## PHILOSOPHY

At Dimensional, we see markets as an ally, not an adversary. We believe competition quickly drives stock prices to fair value and that persistent differences in average portfolio returns are explained by differences in average risk. Rather than trying to take advantage of the ways markets are mistaken, we take advantage of the ways markets are right—the ways they compensate investors. Our mission is to deliver the performance of capital markets and increase returns through state-of-the-art portfolio design and trading.

## PORTFOLIO CONSTRUCTION

The goal of the Tax-Managed US Equity Portfolio is to invest across the entire US market while minimizing tax liabilities. The portfolio is monitored for cumulative gains and losses. To minimize the realization of capital gains when selling securities, those shares of the specific security with the highest cost are selected. If the highest-cost shares produce short-term capital gains, the highest-cost shares with a long-term holding period are selected instead. Also, securities with capital losses are identified and sold to offset realized capital gains. Additional quantitative screens are applied to minimize the effect of dividend distributions on after-tax returns.

## CHARACTERISTICS

	Tax-Mgd. US Equity Portfolio	Total Stock Market
Number of Securities	2,870	3,486
Percentage of Securities in Market	82%	100%
Weighted Average Total Market Cap (millions)	\$63,757	\$79,024
Median Total Market Cap (millions)	\$435	\$570
Weighted Average Book-to-Market	0.69	0.55
Median Book-to-Market	0.93	0.65
Price/Earnings (excluding negatives)	9.74	12.97
Annual Turnover (as of 10/31/2011)	11%	–

Total Stock Market is defined as the CRSP 1-10 Index, the aggregate market capitalization of all companies listed on the NYSE, AMEX, and NASDAQ exchanges. CRSP data provided by the Center of Research in Securities Prices.

## ASSETS UNDER MANAGEMENT

All Strategies	\$213.7 Billion
Portfolio	\$1.4 Billion

AMSTERDAM  
AUSTIN  
BERLIN  
LONDON  
SANTA MONICA  
SYDNEY  
VANCOUVER

[www.dimensional.com](http://www.dimensional.com)

Dimensional Fund Advisors is an investment advisor registered with the Securities and Exchange Commission. Consider the investment objectives, risks, and charges and expenses of the Dimensional funds carefully before investing. For this and other information about the Dimensional funds, please read the prospectus carefully before investing. Prospectuses are available by calling Dimensional Fund Advisors collect at (512) 306-7400 or at [www.dimensional.com](http://www.dimensional.com). Mutual funds distributed by DFA Securities LLC.

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