



August 2009 Update

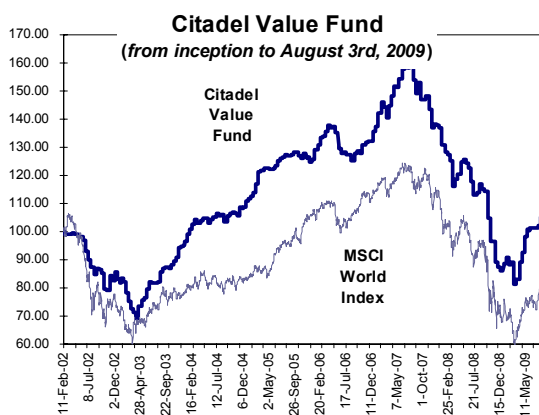
NAV/share (03/08/09): EUR 105.37

ISIN code: LU0141953439

website: www.citadelfund.com

COMMENTARY

After marking time in June most equity markets jumped in July. The Fund's NAV rose by 4.2% bringing the YTD performance to 20.1% while the MSCI World Index is up by 14.0% in 2009. Since inception the Fund's performance is +5.4% and the index -19.3%.



Citadel Value Fund Performance
(as of August 3rd, 2009)

	Since inception (11/02/02)	2009 YTD	2008	2007	2006	2005	2004	2003	2002
Citadel Value Fund	5.4%	20.1%	-35.8%	-0.5%	9.7%	12.0%	17.2%	17.0%	-18.4%
MSCI World Index	-19.3%	14.0%	-37.2%	-1.2%	7.9%	26.8%	6.9%	11.3%	-29.9%
+/- vs. Index	24.7%	6.1%	1.4%	0.7%	1.8%	-14.8%	10.2%	5.7%	11.5%

note: MSCI World Index based on total returns (gross dividends) in Euro's
* annual returns are based on Citadel's estimated NAV as of Dec. 31st
source: European Fund Administration, MSCI

Top 10 holdings

Ozeki Corp. Ltd.	5.7%
Cia Paranaense de Energia, ADR	5.2%
SK Telecom, ADR	4.8%
Zwack Unicum	4.7%
Grupo Continental SA	4.6%
GS Home Shopping	4.4%
Bristol-Myers Squibb Co.	4.0%
Nongshim Co.	4.0%
Village Super Market Inc, A	3.9%
Signaux Girod SA	3.5%

There was a flood of first half earnings in the past month including at many of the companies Citadel owns. While it is difficult to generalise there were few surprises. This is, in itself, rather positive given that earnings overall for most listed companies are under extreme pressure. A cyclically oriented firm like Spanish TV network **Telecinco** had, as expected, a tough H1 while other more defensive names (e.g. **SK Telecom, Belgacom, Contal, Wolters Kluwer**, etc.) saw stable or even higher profits. Two companies (**Bristol-Myers Squibb, Bull**) raised their guidance for 2009. All in all we remain pleased how well most of the portfolio companies are performing. This economic performance has not always been matched by the share price performance although a couple such as Zwack and **Copel** have done very well this year. Nevertheless, the combination of steady dependable cash flows, healthy balance sheets and great valuations make these very attractive investments. Should economic recovery not be as buoyant as some appear to think the merits of such companies would be even clearer we believe.

Finally, the Fund sold its remaining position in **Carclo** whose stock price more than doubled in 2009. All told (including half the stake already sold in late 2007) Carclo was a successful investment with a return including dividends of 90% since 2002 (114% in GBP).

IMPORTANT: An investment in the Fund carries with it a degree of risk. The value of your investment may go down as well as up, and you could lose money on your investment. Past performance provides no guarantee for the future. Investors should read the Fund's prospectus before deciding whether to invest. The opinions and commentary expressed herein should in no way be construed as personal investment advice, they are intended solely to illustrate the Fund's investment strategy and performance.