

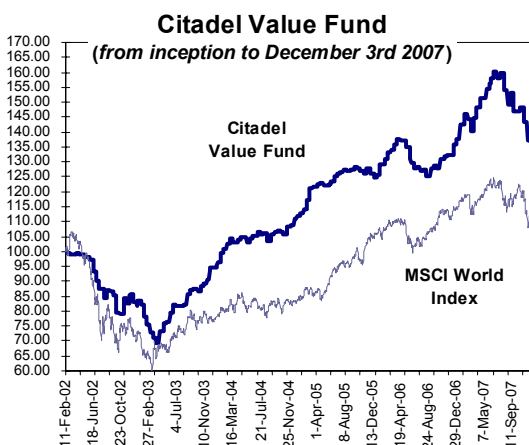


December 2007 Update

NAV/share (03/12/07): EUR 138.31

ISIN code: LU0141953439

website: www.citadelfund.com



Citadel Value Fund Performance
(as of December 3rd, 2007)

	Since inception (11/02/02)	2007 YTD	2006	2005	2004	2003
Citadel Value Fund	38.3%	0.7%	9.7%	12.0%	17.2%	17.0%
MSCI World Index	13.5%	-0.6%	7.9%	26.8%	6.9%	11.3%

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

Village Super Market Inc.	4.7%
SK Telecom, ADR	4.5%
Cia Paranaese de Energia, ADR	4.2%
Daekyo Co. Ltd, preferred	4.2%
Telegraaf Media Groep NV	4.1%
Zwack Unicum	3.7%
Hanil Cement Co. Ltd.	3.6%
Batenburg Beheer NV	3.5%
Clinton Cards PLC	3.4%
Bristol-Myers Squibb Co.	3.4%

COMMENTARY

The past month was a treacherous one for stocks worldwide and investors remain nervous. Although the Fund held up reasonably well under the circumstances the NAV fell by 3.7% to December 3rd. Year-to-date the Fund is up by a sliver (0.7%), whilst Citadel's performance since inception stands at +38.3% vs +13.5% for the MSCI World.

Although investors had little eye for company news in the past month, we are pleased with how most companies in the portfolio are doing. **Pioneer Natural Resources** had super Q3 results with a large rise in its production, decent finding & development costs, and an optimistic outlook. **Wolters Kluwer** continued its string of improving results and announced an additional stock buyback. **Telegraaf** surprised by stating that it was now beginning to buy back up to 10% of its shares, a fantastic move given the shares clear undervaluation. **Copel** saw electricity volumes rise by an impressive 6% YTD – the most important metric for the company given that its prices are regulated. **Heineken Holding** came under pressure after it bid for UK brewer Scottish & Newcastle together with Carlsberg. We can evince little enthusiasm for the purchase but as is so often the case, the stock market has over-reacted. Furthermore the deal may well fizzle out due to disagreement on price.

The shake-out in November spared few, almost irrespective of country or sector. While many stocks were justifiably pummeled, declines of this sort invariably lead to opportunities. Our list of potential investments grew again. The market has clearly become a buyers market, and with roughly 12% cash, we are taking the time to identify the best possible investments.

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.