

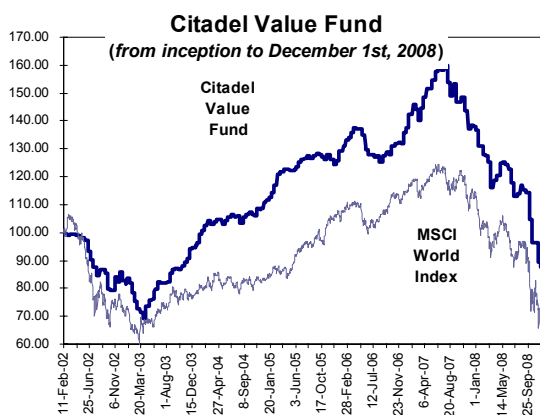


December 2008 Update

NAV/share (01/12/08): EUR 87.41

ISIN code: LU0141953439

website: www.citadelfund.com



Citadel Value Fund Performance
(as of December 1st, 2008)

	Since inception (11/02/02)	2008 YTD	2007	2006	2005	2004	2003	2002
Citadel Value Fund	-12.6%	-36.1%	-0.5%	9.7%	12.0%	17.2%	17.0%	-18.4%
MSCI World Index	-29.6%	-37.6%	-1.2%	7.9%	26.8%	6.9%	11.3%	-29.9%

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.	7.4%
Village Supermarket Inc, A	6.8%
SK Telecom, ADR	5.7%
Bristol-Myers Squibb Co.	4.7%
Cia Paranaense de Energia, ADR	4.5%
Batenburg Beheer NV	4.4%
Nongshim Co. Ltd.	4.3%
Belgacom NV	4.2%
Zwack Unicum	4.2%
Grupo Continental SA	4.0%

COMMENTARY

November was another volatile, and difficult, month for global stocks which fell by 12.2% while Citadel was down by 9.4%. YTD the Fund's performance is -36.1%, a couple of percent better than the MSCI World Index. Thanks largely to the defensive nature of many holdings the portfolio held up better than markets in general, though some of this advantage was lost due to a negative currency impact from the Won, £ and others. Since inception the Fund's NAV is -12.6% vs. -29.6% for the World Index.

Although the daily financial and economic news is almost universally negative, there are bright spots to be found and for Citadel these were in company news. **SK Telecom** reported good new subscriber numbers and rising revenue per user - despite less marketing - and this bodes well for profits in coming quarters. SKT is now trading at 2.9X EBITDA, almost half the level of other telecoms in Europe & the US, which themselves look cheap. **Copel** in its 9M figures reported a 6% growth in electricity volumes, steady profits, higher cash flows and an upgrade from Moody's. Interestingly, Warren Buffett's MidAmerican unit recently bid for a US power producer at what many commentators thought was a 'steal' at 6.5X EBITDA. By way of comparison Copel trades at 3.2X EBITDA. **Carclo**, a UK producer of technical plastic products, saw its H1 EBIT grow by 25%, raised its dividend by 8% and gave a positive outlook. Despite this the shares slipped and are valued at 3.3X EBITDA or 28% of capital employed. At **Village Supermarket** Q1 sales grew by 10% and EBIT by a whopping 56%. Overall our companies are coping reasonably, and are financially solid, and this will inevitably be rewarded by higher share prices. Unfortunately exactly when this happens is impossible to predict.

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.