



December 2009 Update

NAV/share (30/11/09): EUR 113.67

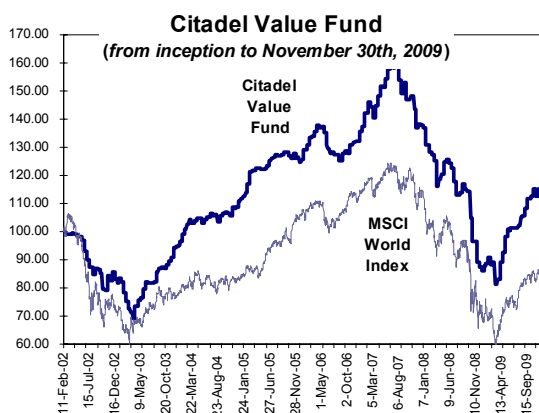
ISIN code: LU0141953439

website: www.citadelfund.com

COMMENTARY

Stocks see-sawed in the past month but ended higher as did the Fund's NAV. Year-to-date Citadel is up by 29.5% and the MSCI World Index (EUR, incl. dividends) by 18.9%. Since inception the Fund's performance is +13.7% and the Index -15.8%.

After the flurry of results in October, November was generally a quiet month for company news. The most significant development was the announcement by **Bristol-Myers Squibb** that it would completely spin-off its large *Mead Johnson* baby-food operation, 15% of which was sold earlier in an IPO. The company has chosen an innovative method to do this which we think is very value enhancing. Existing shareholders will be given the option of trading their existing BMS shares for shares in Mead Johnson at a modest discount. This achieves two things. First, Mead Johnson will be disposed of at a good price (the shares trade at more than 12X EBITDA) and with no tax on the disposal. Secondly, by offering to exchange Mead Johnson for BMS shares the company is essentially buying back its own shares with the proceeds. As we consider BMS to be very undervalued (by way of comparison it trades at less than 8X EBITDA) buying back stock at these prices is very value accretive. After stagnating for much of this year despite a stream of favourable news the stock responded positively to the announcement. **Natuzzi**, the Italian sofa maker, reported Q3 figures which showed an encouraging continuation of the earnings improvement which began earlier this year. Finally, in a pre-holidays trading statement, **Clinton Cards** noted that same-store sales grew strongly in the first 4 months of its fiscal year – further good news from a firm which has been on a roll in 2009.



Citadel Value Fund Performance
(as of November 30th, 2009)

	Since inception (11/02/02)	2009 YTD	2008	2007	2006	2005	2004	2003	2002
Citadel Value Fund	13.7%	29.5%	-35.8%	-0.5%	9.7%	12.0%	17.2%	17.0%	-18.4%
MSCI World Index	-15.8%	18.9%	-37.2%	-1.2%	7.9%	26.8%	6.9%	11.3%	-29.9%
+/- vs. Index	29.5%	10.6%	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, outperformance figures may differ due to rounding
source: European Fund Administration, MSCI

Top 10 holdings

Cia Paranaense de Energia, ADR	5.6%
GS Home Shopping	5.0%
Grupo Continental SA	4.4%
Clinton Cards PLC	4.4%
Zwack Unicum	4.3%
Bristol-Myers Squibb Co.	4.0%
SK Telecom, ADR	4.0%
Nongshim Co.	3.6%
Village Super Market Inc, A	3.5%
Nongshim Holdings Co.	3.2%

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.