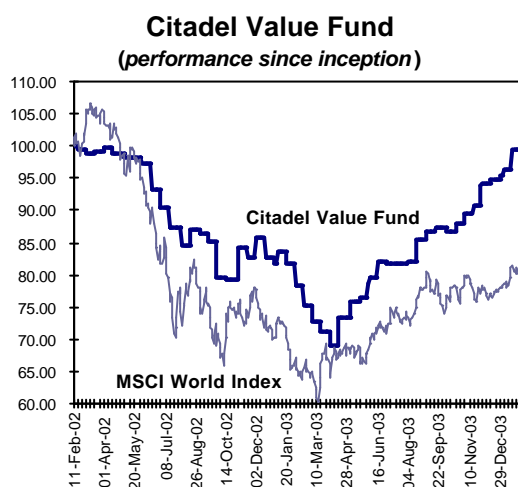


February 2004 Update

NAV/share (02/02/04): EUR 100.71

ISIN code: LU0141953439

website: www.citadelfund.com



Citadel Value Fund Performance
(as of February 2, 2004)

	Since inception (11/02/02)	1 year	2003*	2004* YTD
Citadel Value Fund	0.7%	28.6%	17.0%	5.6%
MSCI World Index	-19.4%	20.2%	11.3%	3.4%

note: MSCI World Index is based on total returns in Euro's
* annual returns are based on estimated NAV as of Dec. 31, 2002 & 2003
source: European Fund Administration, Datastream

Top 10 Holdings

Weetabix Ltd.	9.4%
Springer (Axel) Verlag AG	8.1%
Tamedia AG	8.0%
Merck KgaA	7.2%
Bristol-Myers Squibb	6.1%
Aventis SA	4.5%
Telegraaf (Holding.) NV	4.5%
Wolters Kluwer NV	4.5%
Carclo PLC	4.4%
Wegener NV	4.1%

COMMENTARY

Almost all the Fund's holdings rose in the period from January 5th to Feb. 2nd, and the NAV was ahead by 4.5%. Since inception the Fund's return is now +0.7% vs. -19.4% for the MSCI World. Top performers in the past month were **Southern Energy Homes** (+23.3%), **Tamedia** (+20.7%) and **Aventis** (+19.9%). Laggards were the **Telegraaf** (-3.0%), **Bristol-Myers Squibb** (-2.4%), and **Merck KgaA** (-1.0%).

The most significant news from the Fund's companies was the bid by Sanofi for Aventis – the second bid in 3 months time for one of the Fund's 26 holdings! While Aventis shares had risen significantly ahead of the offer, the proposed price was at only a marginal premium, and composed entirely of Sanofi shares. Sanofi looks in fact to be somewhat undervalued, but we are convinced that Aventis is far more sharply undervalued. Thankfully, a deal on such terms looks unlikely. Aventis's CEO stated that a bid would have to be 40-50% higher to be of interest, which is remarkably close to the Fund's own estimate of the firm's value. In the absence of a fair bid, it would be vastly preferable for the company to carry on independently. However, this is apt to prove to be a long-running saga, and new developments are sure to follow. We will keep you abreast of these.

While the Fund's portfolio has risen dramatically from the lows of March 2003, valuation levels are still surprisingly low in a number of holdings. Consequently the Fund has added to positions in a number of the most extreme cases such as Aventis (well before the bid!), Telegraaf and **Carclo**.

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.