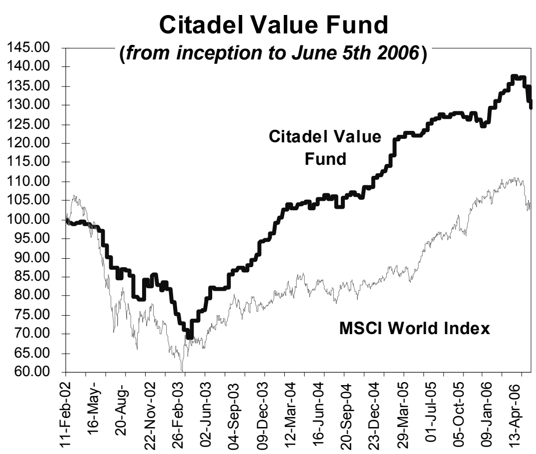
CITADEL
VALUE FUND SICAV

June 2006 Update

NAV/share (05/06/06): EUR 129.53
ISIN code: LU0141953439
website: www.citadelfund.com



Citadel Value Fund Performance
(as of June 5th, 2006)

	Since inception (11/02/02)	3 year	1 year	2006* YTD
Citadel Value Fund	29.5%	62.8%	4.9%	3.5%
MSCI World Index	2.9%	47.1%	12.1%	-2.8%

note: MSCI World Index based on total returns (gross dividends) in Euro's
* annual returns are based on estimated NAV as of Dec. 31, 2002/03/04 & 05
source: European Fund Administration, MSCI

Top 10 holdings

Telegraaf Media Groep NV	8.4%
Heineken Holding NV	6.1%
Village Super Market Inc.	5.3%
Nedschroef Holding NV	5.1%
Bristol-Myers Squibb Co.	5.1%
Batenburg Beheer NV	4.9%
Wegener NV	4.9%
Lambert Howarth PLC	4.3%
Zwack Unicum Rt	3.9%
Wolters Kluwer NV	3.8%

COMMENTARY

With a decline of 6.4%, global markets underwent a sizeable correction in the past month. The US dollar, which strengthened earlier in the year, fell by 2.2% against the Euro. As a result the Fund's NAV was under pressure. Citadel's performance since inception is now 29.5% versus 2.9% for the MSCI World Index.

The most important portfolio news of the past month was the announcement of a take-over offer for **Ultraframe**, the UK based conservatory manufacturer. While trading around 34p per share, the company pre-annouced a 30p offer on May 31st followed by the announcement on June 2nd that private company Latium Holdings (part of the Latium group, active in a.o. conservatory roof manufacturing) is offering 30p (cash) per share. Latium has received irrevocable acceptances from board members and related parties of some 35.8%.

Citadel disagrees with this valuation of Ultraframe. Latium's timing is interesting, because clear signs of a US recovery are already visible. Assuming a modest 2008/09 recovery in the UK, Citadel estimates a value of at least 80p per share. Despite the severe cyclical downturn in UK and US conservatory markets, Ultraframe's operational cash flow has remained positive over the past years. Its current net debt position can largely be attributed to overpaying for a US acquisition, past large dividend payments, and costly legal procedures mostly initiated by Ultraframe management. Ironically, it seems in line with this track record that Ultraframe's board is doing shareholders a major disservice by agreeing to this low take-over offer. Citadel is currently assessing its options concerning this offer.