

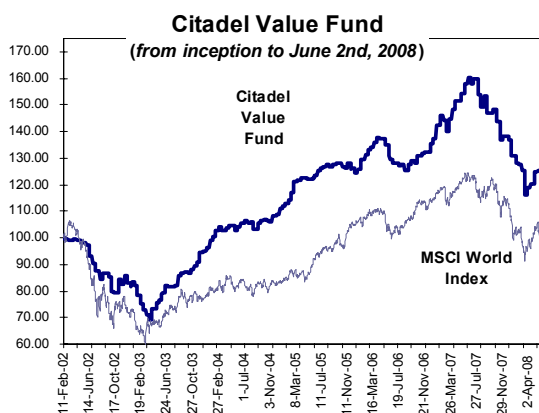


June 2008 Update

NAV/share (02/06/08): EUR 124.45

ISIN code: LU0141953439

website: www.citadelfund.com



Citadel Value Fund Performance
(as of June 2nd, 2008)

	Since inception (11/02/02)	2008 YTD	2007	2006	2005	2004	2003	2002
Citadel Value Fund	24.5%	-9.0%	-0.5%	9.7%	12.0%	17.2%	17.0%	-18.4%
MSCI World Index	2.9%	-8.8%	-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

Cia Paranaese de Energia, ADR	5.3%
SK Telecom, ADR	4.5%
Zwack Unicum	4.4%
Grupo Continental SA	4.2%
Batenburg Beheer NV	4.1%
Signaux Girod SA	3.9%
Ozeki Corp. Ltd.	3.9%
Daekyo Co. Ltd, preferred	3.8%
GS Home Shopping	3.8%
Village Super Market Inc.	3.6%

COMMENTARY

After a bit of a recovery in April markets saw a recovery for much of May ending slightly down. The Fund's NAV slipped by 0.4% bringing the YTD performance to -9.0%. Since inception Citadel is ahead by 24.5% compared to +2.9% for the MSCI World Index.

Markets continue to be very jumpy, with daily swings of 1 or 2%, both up and down, occurring continuously. Macro-economic news dominates the headlines and investor sentiment. Company-specific news is for the most part being over-shadowed by macro news. It is notable, however, that markets are reacting much more strongly to bad news than good; a sign of the nervousness which prevails. As bottom-up investors it is clear to us that this preoccupation with the 'big' issues is leading to more and more cases of inefficient pricing. It can be frustrating to see companies showing decent sales and profit rises whilst the stock stagnates or even falls.

Signaux Girod, the French traffic sign producer, is an excellent example of this. Results in recent quarters have risen sharply, the dividend was raised to yield 6.6%, and the firm has made a couple attractive acquisitions. Yet the stock has barely budged and the already low valuation has fallen further. Nevertheless, the company's business will progress and it is hard to see how new write-downs by banks, or a deep and long recession in the US, etc., will affect that. And there are numerous other such examples in the portfolio. Ultimately Signaux's share price will reflect the value in its business. When that will happen is difficult if not impossible to predict, but so long that value builds, part of that value is paid out in dividends (the average portfolio yield is now 4%), the future looks a lot less scary than some would have you believe.

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.