



March 2008 Update

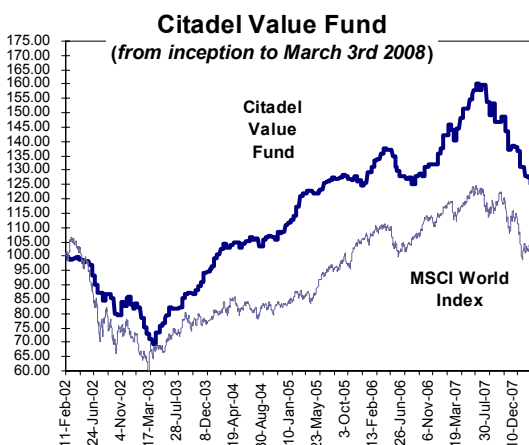
NAV/share (03/03/08): EUR 125.34

ISIN code: LU0141953439

website: www.citadelfund.com

COMMENTARY

The past month was again very volatile with a mixture of strong days and weak ones. Overall though the weak days predominated and the MSCI World Index fell by almost 6% since our last update on February 4th. The NAV fell by 2.1% leaving the YTD return at -8.4% (index -12.5%). Since inception the Fund is up by 25.3% vs -1.5% for the Index.



Citadel Value Fund Performance
(as of March 3rd, 2008)

| | Since inception (11/02/02) | 2008 YTD | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|---------------------------|----------------------------|----------|-------|------|-------|-------|-------|--------|
| Citadel Value Fund | 25.3% | -8.4% | -0.5% | 9.7% | 12.0% | 17.2% | 17.0% | -18.4% |
| MSCI World Index | -1.2% | -12.5% | -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 | 5.0% |
| Village Super Market Inc. | 4.4% |
| Daekyo Co. Ltd, preferred | 4.3% |
| Grupo Continental SA | 4.1% |
| Zwack Unicum | 4.0% |
| Batenburg Beheer NV | 4.0% |
| Signaux Girod SA | 3.9% |
| Ozeki Corp. Ltd. | 3.8% |
| Hanil Cement Co. Ltd. | 3.6% |
| SK Telecom, ADR | 3.6% |

“To buy when others are despondently selling and to sell when others are avidly buying requires the greatest fortitude and pays the greatest ultimate rewards.” was how the famed international investor Sir John Templeton summed up successful investing. In today’s markets we think his words are particularly *à propos*. While no less an investor than Warren Buffett recently opined that markets were not that cheap, we believe he was referring to the big cap (and mainly US) names which populate indices. The carnage outside this limited number of companies has been more severe. In many cases, although obviously not in all, these companies are growing their values and will likely continue to do so. Investors appear overcome with macro-economic worries thereby losing sight of what is actually occurring at individual companies. As a result we see growing discrepancies between the value stock markets are placing on numerous companies, and the value we ascertain from an analysis of their financial statements. The Fund, unfortunately, has only modest cash reserves but we are continuing to pare back some of the more dearly priced stakes (e.g. **Wolters Kluwer**) to add to the cheapest ones (e.g. **SK Telecom**). We have yet to add a new holding this year but are closely following a short-list of 4 or 5 companies which appear exceptionally undervalued.

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.