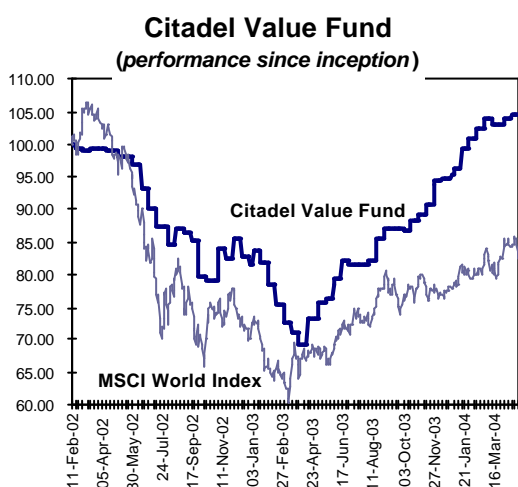


May 2004 Update

NAV/share (03/05/04): EUR 104.79

ISIN code: LU0141953439

website: www.citadelfund.com



Citadel Value Fund Performance
(as of May 3rd, 2004)

	Since inception (11/02/02)	1 year	2003*	2004* YTD
Citadel Value Fund	4.8%	38.2%	17.0%	9.8%
MSCI World Index	-16.6%	21.8%	11.3%	6.9%

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

Merck KGaA	8.3%
Springer (Axel) Verlag AG	7.9%
Tamedia AG	6.2%
Canadian Natural Resources	5.2%
Bristol-Myers Squibb Co.	5.1%
Wegener NV	4.3%
Carclo PLC	4.4%
Telegraaf (Holding.) NV	4.2%
Wolters Kluwer NV	4.1%
Aventis SA	4.0%

COMMENTARY

Going against the trend of global markets, the Fund's NAV rose by 0.9% from April 5th to May 3rd. As a result Citadel's outperformance increased somewhat on a year-to-date and since-inception basis.

The three new holdings added in March and April all performed well. In particular, **Canadian Natural** and **Nedschroef** rose sharply. Most of the companies in the portfolio have now released 2003 results and some are already publishing Q1 2004 results. Of particular note were the decent Q1 results of **Bristol-Myers** which came after a succession of recent setbacks and a weak stock performance. We are hopeful that the bad news is now largely behind it, and that its drug portfolio will begin to realise the potential that we see. The most important development; however, was a higher bid from Sanofi for **Aventis**. Despite being substantially higher than its original bid (+15%), we consider the offer a poor one. Novartis, which was also interested, appeared prepared to make what would surely have been a superior financial offer. The fit between those two companies was excellent. Despite this the Aventis board approved Sanofi's offer (shareholders still need to vote), after a particularly egregious case of arm-twisting by the French government to create a national 'champion'.

While pickings are more meagre than we would wish, recent stock market weakness is throwing up some opportunities to add to existing positions and establish new ones. The portfolio continues to hold considerable potential although a couple of holdings are approaching their target prices.

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.