

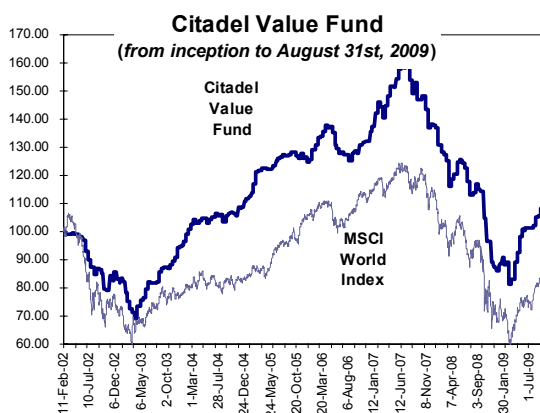


September 2009 Update

NAV/share (31/08/09): EUR 108.39

ISIN code: LU0141953439

website: www.citadelfund.com



Citadel Value Fund Performance
(as of August 31st, 2009)

	Since inception (11/02/02)	2009 YTD	2008	2007	2006	2005	2004	2003	2002
Citadel Value Fund	8.4%	23.5%	-35.6%	-0.5%	9.7%	12.0%	17.2%	17.0%	-18.4%
MSCI World Index	-17.2%	16.9%	-37.2%	-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

Ozeki Corp. Ltd.	7.5%
Cia Paranaense de Energia, ADR	4.8%
GS Home Shopping	4.4%
SK Telecom, ADR	4.3%
Zwack Unicum	4.3%
Grupo Continental SA	4.2%
Bristol-Myers Squibb Co.	3.9%
Nongshim Co.	3.7%
Village Super Market Inc, A	3.7%
Clinton Cards PLC	3.4%

COMMENTARY

August was another good month for stocks and the Fund's NAV rose by 2.9%. Year-to-Date the performance is +23.5% bringing the since inception performance to +8.4% whilst the MSCI World Index is down by 17.2% during the same period.

Earnings reports are still dribbling in (**Heineken** strong earnings, **Johnston Press** successful refinancing, **Molins** higher EBIT on a modest sales fall), but the most significant news of the past month was the announced Management Buy Out of **Ozeki**. This Japanese food retailer is the largest position in the portfolio. In most circumstances a takeover offer for one of the Fund's holdings is usually a reason for celebration. The offer in this case is at a 25% premium to the recent stock price. Including gains from the Yen and dividends this means that Citadel will generate a very satisfactory return. Yet it is hard to be ecstatic when it is clear that the company is worth far more than the low-ball price management is proposing. With some new store openings and strong same-store sales growth the earnings outlook in the immediate future was good and getting better. The balance sheet is cash heavy, the dividend is slowly rising, and the company recently even bought back a slug of its own shares at rock-bottom prices. The stock had the potential to perform spectacularly in the coming years. While the deal is not done we suspect the odds of it not being completed, or being offered a higher price, are slim; although hope springs eternal. Once again, however, this is a practical illustration that where stock markets put irrationally low prices on a company, other more informed buyers often step in (financing allowing). We only wish in this case that they had waited a few years.

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.