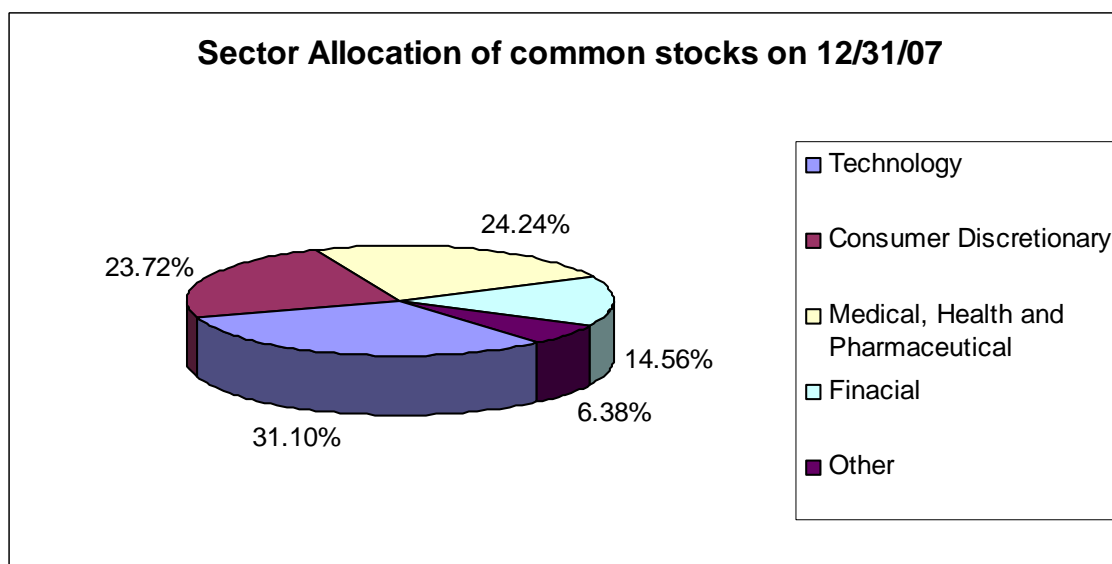


# Madison Strategic Sector Premium Fund 12/31/07

## At a Glance

The Madison Strategic Sector Premium Fund (MSP) is an actively managed equity portfolio of common stocks with a covered call option strategy. A covered call strategy tends to reduce the risk compared to just owning the stock, and provide stable, reduced-volatility participation in the equity market while providing a steady income return from option premiums. MSP seeks a high level of current income and gains by focusing on strategic stock market sectors that, in our opinion, provide the best opportunities for our "Growth-at-a-Reasonable-Price" style of investing. The Fund writes primarily out-of-the-money, longer term call options on the majority of individual stocks in the portfolio.



### Top 10 holdings as of 12/31/07 (% of portfolio)

UnitedHealth Group	4.87%
Biogen	3.25%
Intuit	3.20%
Ebay	3.10%
Google	3.06%
Merrill Lynch	3.04%
Capital One	3.01%
Target	2.95%
Kohls	2.88%
Flextronics	2.85%

### Option Strategy Information as of 12/31/07

Option Type	Stock
Ave Length of Contract	1.8
Option Strategy at Time Calls are Written	Primarily out-of-the-money

### Portfolio Statistics as of 12/31/07

Leverage	0%
Equities covered with call options	66.4%
Total Net Assets	\$101,606,508.00
Number of Equity Holdings	44
NAV	17.52
Market Price	15.53
Premium to NAV	-11.36%
Number of Shares	5,798,297

### Dividend paid 2007

