

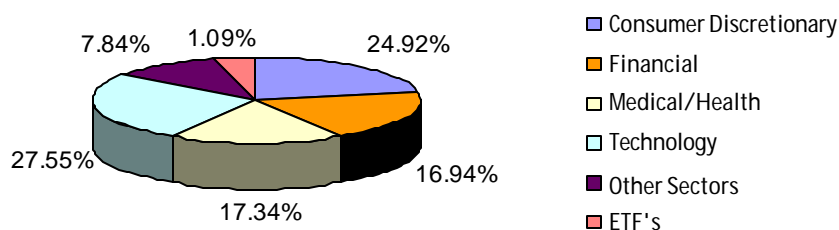
Madison Strategic Sector Premium Fund

MSP

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.

Sector allocation of common stocks on 9/30/06



Top 10 holdings as of 9/30/06

(% of net assets)

BED BATH and BEYOND	4.11%
AMGEN	3.80%
HOME DEPOT	3.60%
LOWES	3.51%
MERRILL LYNCH	3.50%
MORGAN STANLEY	3.26%
TARGET	3.21%
CISCO SYSTEMS	3.08%
MICROSOFT	2.93%
INTEL	2.58%

Portfolio statistics as of 9/30/06

Leverage	0%
Percent upon which portfolio is written	79.47%
Total Net Assets	\$117,768,773
Number of Equity Holdings	50
NAV	19.64
Market Price	19.97
Premium to NAV	1.68%
Number of Shares	5,690,725

Distributions to Shareholders in 2006

