

Madison Small Cap Fund Investment Strategy Letter

The Madison Small Cap Fund (Class Y at NAV) returned 8.03% in the fourth quarter of 2019 versus 9.94% for its benchmark Russell 2000® Index. For 2019 the Fund returned 24.67%, compared to the Index's 25.52%.

Relative underperformance this past quarter was primarily due to holdings in Health Care, Information Technology and Materials. Sectors positively contributing to performance versus the benchmark were Consumer Discretionary, Financials and Industrials. For the year, the strategy slightly underperformed the Russell 2000, driven by strong performance in Financials and Industrials. While it was disappointing to give back some relative outperformance in the Health Care Sector in the fourth quarter, we are generally pleased with our overall performance. The strong market performance to close out the decade was somewhat unexpected, in our view. We believe we were able to keep pace with an increasingly expensive market through strong stock selection. Usually, the later innings of the economic cycle work against us. This cycle has been particularly long; however, we were able to take advantage of the late 2018/early 2019 volatility to increase our investments in well positioned quality companies. Looking forward, we cannot know what the future will bring, but we do believe the forthcoming election and geopolitical events will continue to create volatility, which we will strive to capitalize on with solid fundamental research.

Given that Health Care was posted its most disappointing relative performance of the year, we think it is relevant to delve a little deeper into the positioning. In the fourth quarter, our health care positions were close to 9% on a weighted basis, while the index returned a whopping 22.5%, far outpacing the overall Russell 2000's fourth quarter performance of 10%. The lion's share of the outperformance in health care was driven by the biotech subsector, an area of the market that does not typically fit our investment strategy. The NYSE ARCA Biotech index (BTK) had struggled for much of the year before rallying 20.2% in the fourth quarter. We believe that this outperformance was mostly driven by improving investor sentiment regarding the upcoming election. The third quarter sentiment was marred by concern over the impact of Medicare-for-all and tough rhetoric on drug pricing. Many of those concerns temporarily abated in the fourth quarter. That being said, our investments in Avanos Medical, Covetrus, and Vocera underperformed our expectations in the quarter for company specific reasons. Avanos Medical experienced integration issues with its new information technology platform which caused cost overruns that weighed on quarterly results. Covetrus, a turnaround story in the animal health space, drifted through a management change and shift in strategy. A change in company



Faraz Farzam, CFA
Portfolio Manager
Industry since 1999



Aaron Garcia, CFA
Portfolio Manager
Industry since 2002



Richard Lane, CFA
Portfolio Manager
Industry since 1982

Past performance does not predict future results. Please refer to the final two pages of this piece which contain current performance information for the fund, the risks of investing in the fund and a complete list of the fund's individual portfolio holdings as of quarter end. Individual portfolio holdings are identified to illustrate our approach to investing the fund's portfolio and are not intended to represent a recommendation to buy or sell any such security.

Performance data shown represents past performance. Investment returns and principal value will fluctuate, so that fund shares, when redeemed, may be worth more or less than the original cost. Past performance does not guarantee future results and current performance may be lower or higher than the performance data shown. Visit madisonfunds.com or call 800.877.6089 to obtain performance data current to the most recent month-end.

leadership triggers a review of our investment thesis; however, after spending time with the new CEO, we are encouraged in the go-forward strategy of the company and believe the organization's financial execution will improve. We exited our investment in Vocera after the second disappointing quarter in a row. We had believed that the stock was overly discounting weakness in its core product line due to a longer sales cycle. Instead, management projected flat sales for the next several quarters. The company is struggling to find consistency in its execution and their next generation product is taking longer to convert, a lengthening from nine months to 18 months. While it is disappointing to take a loss on a relatively new investment (initiated in March of 2019), we assessed that the sales issues violated our growth pillar and the inconsistency in quarterly guidance violated our capable management pillar.

Going forward, we believe that there will be continued volatility in health care, given the presidential election. We have made investments in areas of health care that we believe will be more insulated from the rhetoric and policy uncertainty. That being said, elections are unpredictable and we will continue to be sensitive to changing narratives in order to mitigate downside risk.

Our industrial and financial investments continued their strong run in the fourth quarter. Particularly strong results from our core positions: MGIC Investment Corporation, TCF Financial Corporation, Masco Corporation, Carlisle Companies and Rexnord Corporation drove positive outperformance. While we have pruned some of our winners in these sectors, we are quite pleased with the performance of our larger positions. Although the broader economic outlook softened a bit in 2019, the outlook for 2020 is modestly encouraging and we would expect a pickup in economic activity to benefit these more economically sensitive investments. In the Materials Sector, however, our individual investments slightly underperformed. Going forward, we see opportunities in this segment, as economic conditions improve globally.

Technology slightly underperformed on a relative basis despite our largest tech position and third largest overall position, FEYE, delivering nearly 24% return for the quarter after reporting a solid quarter.

Throughout the year our technology names have lagged our benchmark. Although we have had our share of disappointing stocks such as CommVault Systems, our principal issue has been our relative underweighting in software. Tech had been a significant performance driver in 2018. During the fourth quarter of 2018 we sold a lot of big software winners (DATA, PROS, CYBR) as we stuck to our valuation discipline. Unfortunately, 2019 was a momentum year for software stocks, and the stocks with price momentum were mostly software stocks. We refer to these stocks cynically as "growth-at-any-price" style stocks. Our valuation discipline usually keeps us out of these stocks and our lack of ownership here hurt us all year.

Consumer discretionary was a bright spot, especially from retailers including Nordstrom and Hibbett Sports. Both companies reported stellar third quarter results as both company's omnichannel investments drove accelerating same-store sales. Retail stocks have come under considerable pressure over the last three years as fears of getting Amazon'd (the catch all phrase referring to the competitive threat from online retailers) has indiscriminately punished almost all traditional retail valuations. We used this as an opportunity to invest in select niche retailers with credible omnichannel investments such as Nordstrom and Hibbett Sports. While it's good to see our thesis playing out, we do believe the online threat is real.

During the quarter we also initiated on a new position in online marketplace Etsy. Etsy's business model is rather simple. A scaled, global, two-sided marketplace bringing together millions of buyers and sellers. Their platforms brings together a unique and fragmented base of artisans, artists, and unique item sellers (two million active sellers) with over 60 million buyers (40 million active) in search of items that cannot be found in larger format retailers or online e-commerce platforms. This is a

classic network effect business model where the bigger the marketplace gets the better and more impregnable the moats become. During 2019 Etsy made significant long-term investments that we believe will drive long-term value. However, those investments proved detrimental to near-term results, giving us the opportunity to initiate a new position.

Faraz Farzam

Aaron Garcia

Richard Lane

Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 2000® Index, which represents approximately 11% of the total market capitalization of the Russell 3000® Index.

NYSE ARCA Biotech index (BTK) measures the performance of publicly traded companies in the biotechnology industry that are primarily involved in the use of biological processes to develop products or provide services.

"Madison" and/or "Madison Investments" is the unifying tradename of Madison Investment Holdings, Inc., Madison Asset Management, LLC ("MAM"), and Madison Investment Advisors, LLC ("MIA"), which also includes the Madison Scottsdale office. Hansberger Growth Investors, L.P. or "HGI" is an affiliate of "Madison Investments." MAM, MIA and HGI are registered as investment advisers with the U.S. Securities and Exchange Commission. Madison Funds are distributed by MFD Distributor, LLC. MFD Distributor, LLC is registered with the U.S. Securities and Exchange Commission as a broker-dealer, and is a member firm of the Financial Industry Regulatory Authority. The home office for each firm listed above is 550 Science Drive, Madison, WI 53711. Madison's toll-free number is 800-767-0300.

Any performance data shown represents past performance. Past performance is no guarantee of future results.

Non-deposit investment products are not federally insured, involve investment risk, may lose value and are not obligations of, or guaranteed by, any financial institution. Investment returns and principal value will fluctuate.

This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security.

Consider the investment objectives, risks, and charges and expenses of Madison Funds carefully before investing. Each fund's prospectus contains this and other information about the fund. Call 800.877.6089 or visit madisonfunds.com to obtain a prospectus and read it carefully before investing.

Although the information in this report has been obtained from sources that the firm believes to be reliable, we do not guarantee its accuracy, and any such information may be incomplete or condensed. All opinions included in the report constitute the authors' judgment as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security.

Madison Asset Management, LLC does not provide investment advice directly to shareholders of the Madison Funds. Opinions stated are informational only and should not be taken as investment recommendation or advice of any kind whatsoever (whether impartial or otherwise).

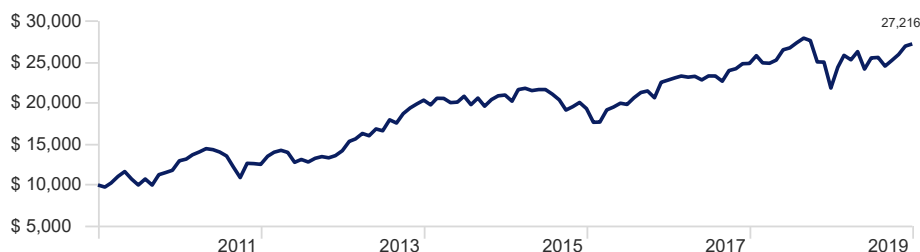
Madison Funds are distributed by MFD Distributor, LLC, member FINRA. ©Madison Asset Management, LLC. January 10, 2020.

Madison Small Cap Fund



Growth of \$10,000^{1,2}
Class Y, Trailing 10-yrs

The Value of Long-Term Investing



Average Annual Total Returns^{1,3} (%)

	Three Months	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Class Y	8.03	24.67	24.67	6.07	5.35	10.53	13.47
Class A	without sales charge	7.90	-	-	-	-	10.87
	with sales charge	1.69	-	-	-	-	4.52
Russell 2000® Index	9.94	25.52	25.52	8.59	8.23	11.83	-
Russell 2500® Index	8.54	27.77	27.77	10.33	8.93	12.58	-

Calendar Year Returns^{1,3} (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Class Y	29.55	-3.37	13.33	43.48	3.06	-7.90	18.04	8.90	-12.09	24.67
Russell 2000®	26.85	-4.18	16.35	38.82	4.89	-4.41	21.31	14.65	-11.01	25.52
Russell 2500®	26.71	-2.51	17.88	36.80	7.07	-2.90	17.59	16.81	-10.00	27.77

Risk Measure (5-year) Class Y vs. Russell 2000® Index

		Characteristics
Standard Deviation	15.1%	Median Market Cap (\$Mil)
Downside Capture	93.9%	EPS Growth Rate (3-5 year)
Upside Capture	84.9%	P/E (trailing 12 months)
		P/E (forward 4 quarters)

Characteristics

Standard Deviation	15.1%	Median Market Cap (\$Mil)	\$3,344
Downside Capture	93.9%	EPS Growth Rate (3-5 year)	12.8%
Upside Capture	84.9%	P/E (trailing 12 months)	18.2x
		P/E (forward 4 quarters)	17.4x

The performance shown for the Small Cap Fund (the "Fund") for periods prior to August 31, 2019, for the Class Y shares are based on the performance of the Broadview Opportunity Fund (the "Predecessor Fund") which was the accounting survivor and reorganized into the Class Y shares of the Fund after market close on August 30, 2019 (the "Reorganization"). Periods prior to November 29, 2013 represents the performance of the FMI Focus Fund (the "FMI Fund") which merged with and into the Predecessor Fund on November 29, 2013. Prior to November 29, 2013, the Adviser of the Predecessor Fund served as sub-adviser to the FMI Fund. The FMI Fund had the same investment objective and substantially similar investment strategies as the Predecessor Fund. Performance for Class A shares of the Fund is deemed to be new effective August 31, 2019 as a result of the Reorganization.

Madison lists the performance of the Predecessor Fund and accounting survivor of the Reorganization for the following reasons:

- Continuity of Fund portfolio managers through the Reorganization
- Substantially the same investment objective and investment strategies between the Fund and the Predecessor Fund;
- Substantially similar investment policies between the Fund and the Predecessor Fund;
- A similar expense ratio (excluding acquired fund fees and expenses), as Madison has agreed that the fees and expenses attributable to Class Y shares of the Madison Small Cap Fund will be capped, pursuant to an expense limitation agreement, to the extent necessary so that expenses (exclusive of all federal, state, and local taxes, interest, brokerage commissions, acquired fund fees and expenses and other costs incurred

in connection with the purchase and sale of securities, and extraordinary items) do not exceed the total annual fees and expenses of shares of the Predecessor Fund, as reflected herein, for a period of two years from the date of closing the Reorganization.

2 Growth of \$10,000 is calculated at NAV and assumes all dividends and capital gain distributions were reinvested. It does not take into account sales charges (see Note 3 below) or the effect of taxes.

3 Average annual total returns and calendar year returns assume all distributions are reinvested and reflect applicable fees and expenses. Class A share returns without sales charge would be lower if sales charge were included. Class A share returns with sales charge reflect the deduction of the maximum applicable sales charge of 5.75%. Class Y shares do not impose an up-front sales charge or a contingent deferred sales charge ("CDSC"). Indices are unmanaged. An investor cannot invest directly in an index. They are shown for illustrative purposes only, and do not represent the performance of any specific investment. Index returns do not include any expenses, fees or sales charges, which would lower performance.

4 Expense ratios are based on the fund's most recent prospectus. The investment adviser has contractually agreed to waive 0.04% of its service fees for all share classes until at least August 31, 2021.

Performance data shown represents past performance. Investment returns and principal value will fluctuate, so that fund shares, when redeemed, may be worth more or less than the original cost. Past performance does not guarantee future results and current performance may be lower or higher than the performance data shown. Visit madisonfunds.com or call 800.877.6089 to obtain performance data current to the most recent month-end.

Experienced Management



Faraz Farzam, CFA
Portfolio Manager
Industry since 1999



Aaron Garcia, CFA
Portfolio Manager
Industry since 2002



Richard Lane, CFA
Portfolio Manager
Industry since 1982

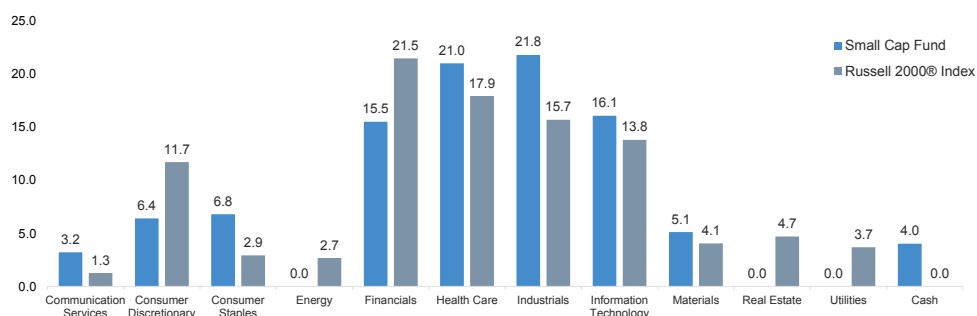
Fund Features

- Seeks long-term capital appreciation
- Generally 50-90 holdings
- Seeks to purchase companies at a perceived discount compared to potential future earnings

Distribution Frequency

Annual			
Class	Ticker	Inception Date	Exp. Ratio ⁴
A	MASMX	8/31/19	1.48%
Y	BVAOX	12/16/96	1.23%

Sector Diversification (%)



Sector allocation is rounded to the nearest 0.1%.

Total Net Assets

\$261.7 Million

Portfolio Turnover

3%*

*Represents turnover for the one month period, 10/1/19 to 10/31/19 and is not annualized. The typical annual portfolio turnover range has been 40-55%. See the Madison Funds Annual Report for more information.

Total Number of Holdings

58



Shareholder Services

Madison Funds
P.O. Box 219083
Kansas City, MO 64121-9083
800.877.6089

Consultant and
Advisor Services
550 Science Drive
Madison, WI 53711
888.971.7135

Top Ten Holdings (%)

MGIC INVESTMENT CORP	4.8
ENCOMPASS HEALTH CORP	3.9
MASCO CORP	3.2
PRA HEALTH SCIENCES INC	3.0
FIREEYE INC	3.0
GLOBUS MEDICAL INC A	3.0
WILLSCOT CORP	2.9
TCF FINANCIAL CORP	2.8
WESTERN ALLIANCE BANCORP	2.4
REXNORD CORP	2.3

This material is authorized for use only when preceded or accompanied by the current prospectus. Before investing, please fully consider the investment objectives, risks, charges and expenses of the fund. This and other important information is contained in the current prospectus, which you should carefully read before investing or sending money. For more complete information about Madison Funds® obtain a prospectus from your financial adviser, by calling 800.877.6089 or by visiting <https://www.madisonfunds.com/individual/prospectus-and-reports> to view or download a copy.

Madison Asset Management, LLC does not provide investment advice directly to shareholders of the Madison Funds. Materials on this document are informational only and should not be taken as investment recommendation or advice of any kind whatsoever (whether impartial or otherwise).

Standard Deviation: a statistical measurement of dispersion about an average, which, for a portfolio, depicts how widely the returns varied over a certain period of time. Investors may use the standard deviation of historical performance to understand the range of returns for a portfolio. When a portfolio has a higher standard deviation than its benchmark, it implies higher relative volatility. Standard deviation has been calculated using the trailing monthly total returns for the appropriate time period. The standard deviation values are annualized. **Downside Capture Ratio** measures a fund's performance in down markets relative to its benchmark. It is calculated by taking the security's downside capture return and dividing it by the benchmark's downside capture return over the time period. **Upside Capture Ratio** measures a fund's performance in up markets relative to its benchmark. It is calculated by taking the security's upside capture return and dividing it by the benchmark's upside capture return over the time period. **Market Cap** measures the size of the companies in which the fund invests. Market capitalization is calculated by multiplying the number of a company's shares outstanding by its price per share. **Growth Rate (3-5 year)** is the annual rate at which a company's earnings are expected to grow. **P/E (Price-to-Earnings Ratio)** measures how expensive a stock is. It is calculated by the weighted average of a stock's current price divided by the company's trailing 12-month (TTM) earnings per share of the stocks in a fund's portfolio. **Enterprise Value (EV) to EBITDA** ratio is calculated by EV divided by EBITDA or earnings before interest, taxes, depreciation, and amortization. **Enterprise Value to Sales** ratio compares the total value (as measured by enterprise value) of the company to its sales. **Portfolio Turnover** is a measure of the trading activity in an investment portfolio—how often securities are bought and sold by a portfolio. It is calculated at the fund level. An investment in the fund is subject to risk and there can be no assurance that the fund will achieve its investment objective. The risks associated with an investment in the fund can increase during times of significant market volatility. The principal risks of investing in the fund include: equity risk, small cap price volatility risk, small cap illiquidity risk, value investing risk, ETF risk, capital gain realization risks to taxpaying shareholders, and foreign security and emerging market risk. Investing in small, mid-size or emerging growth companies involves greater risks not associated with investing in more established companies, such as business risk, significant stock price fluctuations and illiquidity. More detailed information regarding these risks can be found in the fund's prospectus.

Indices are unmanaged. An investor cannot invest directly in an index. They are shown for illustrative purposes only, and do not represent the performance of any specific investment. Index returns do not include any expenses, fees or sales charges, which would lower performance. Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 2000® Index, which represents approximately 11% of the total market capitalization of the Russell 3000® Index. The Russell 2500 Index combines a portion of midcap stocks with small cap stocks – forming a "SMID" (small/mid) cap segment of stocks from the Russell 3000®. Please note, the Russell 2000® Value Index was previously used as the Fund's primary benchmark. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

Madison Funds are distributed by MFD Distributor, LLC, member FINRA, and may be purchased directly from the fund or through your investment professional. Portfolio data is as of the date of this piece unless otherwise noted and holdings are subject to change.

"Madison" and/or "Madison Investments" is the unifying tradename of Madison Investment Holdings, Inc., Madison Asset Management, LLC ("MAM"), and Madison Investment Advisors, LLC ("MIA"), which also includes the Madison Scottsdale office. Hansberger Growth Investors, L.P. or "HGI" is an affiliate of "Madison Investments." MAM, MIA and HGI are registered as investment advisers with the U.S. Securities and Exchange Commission. Madison Funds are distributed by MFD Distributor, LLC. MFD Distributor, LLC is registered with the U.S. Securities and Exchange Commission as a broker-dealer, and is a member firm of the Financial Industry Regulatory Authority. The home office for each firm listed above is 550 Science Drive, Madison, WI 53711. Madison's toll-free number is 800-767-0300.

Any performance data shown represents past performance. Past performance is no guarantee of future results.

Non-deposit investment products are not federally insured, involve investment risk, may lose value and are not obligations of, or guaranteed by, any financial institution. Investment returns and principal value will fluctuate.

This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security.

Upon request, Madison may furnish to the client or institution a list of all security recommendations made within the past year.