

NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2
Form N-CSRS
May 08, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-10197

Nuveen California Dividend Advantage Municipal Fund 2

(Exact name of registrant as specified in charter)

Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606

(Address of principal executive offices) (Zip code)

Kevin J. McCarthy
Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606

(Name and address of agent for service)

Registrant's telephone number, including area code: (312) 917-7700

Date of fiscal year end: August 31

Date of reporting period: February 29, 2008

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

ITEM 1. REPORTS TO STOCKHOLDERS.

SEMI-ANNUAL REPORT
February 29, 2008

Nuveen Investments
MUNICIPAL CLOSED-END FUNDS

Photo of: Small child

NUVEEN INSURED CALIFORNIA
PREMIUM INCOME MUNICIPAL
FUND, INC.
NPC

NUVEEN INSURED CALIFORNIA
PREMIUM INCOME MUNICIPAL
FUND 2, INC.
NCL

NUVEEN CALIFORNIA
PREMIUM INCOME
MUNICIPAL FUND
NCU

NUVEEN CALIFORNIA
DIVIDEND ADVANTAGE
MUNICIPAL FUND
NAC

NUVEEN CALIFORNIA
DIVIDEND ADVANTAGE
MUNICIPAL FUND 2
NVX

NUVEEN CALIFORNIA
DIVIDEND ADVANTAGE
MUNICIPAL FUND 3
NZH

NUVEEN INSURED CALIFORNIA
DIVIDEND ADVANTAGE
MUNICIPAL FUND
NKL

NUVEEN INSURED CALIFORNIA
TAX-FREE ADVANTAGE
MUNICIPAL FUND
NKX

IT'S NOT WHAT YOU EARN, IT'S WHAT YOU KEEP. (R)

Logo: NUVEEN Investments

Photo of: Man working on computer

LIFE IS COMPLEX.
NUVEEN

MAKES THINGS
E-simple.

It only takes a minute to sign up for e-Reports. Once enrolled, you'll receive an e-mail as soon as your Nuveen Investments Fund information is ready--no more waiting for delivery by regular mail. Just click on the link within the e-mail to see the report and save it on your computer if you wish.

FREE E-REPORTS RIGHT TO YOUR E-MAIL!

www.investordelivery.com
If you receive your Nuveen Fund dividends and statements from your financial advisor or brokerage account.

OR

www.nuveen.com/accountaccess
If you receive your Nuveen Fund dividends and statements directly from Nuveen.

Logo: NUVEEN Investments

Chairman's
LETTER TO SHAREHOLDERS

Photo of: Timothy R. Schwertfeger

Timothy R. Schwertfeger
Chairman of the Board

Every year I sign a shareholder letter that carries a date viewed by many with concern or dread. But you, and thousands like you, have learned that the tax-free income provided by your Nuveen Fund can help make April 15th a little less onerous. So, once again, I am pleased to report that over the six-month period covered by this report your Fund continued to provide you with attractive monthly tax-free income. For more details about the management strategy and performance of your Fund, please read the Portfolio Manager's Comments, the Common Share Dividend and Share Price Information, and the Performance Overview sections of this report.

I also wanted to update you on some important news about Nuveen Investments. In late 2007, the firm was acquired by a group led by Madison Dearborn Partners, LLC. While this affected the corporate structure of Nuveen Investments, it had no impact on the investment objectives, portfolio management strategies or dividend policy of your Fund.

With the recent volatility in the stock market, many have begun to wonder which way the market is headed, and whether they need to adjust their holdings of investments. No one knows what the future will bring, which is why we think a well-balanced portfolio that is structured and carefully monitored with the help of an investment professional is an important component in achieving your long term financial goals. A well-diversified portfolio may actually help to reduce your overall investment risk, and we believe that investments like your Nuveen Investments Fund can be important building blocks in a portfolio crafted to perform well through a variety of market conditions.

We also are pleased to be able to offer you a choice concerning how you receive your shareholder reports and other Fund information. As an alternative to mailed copies, you can sign up to receive future Fund reports and other Fund information by e-mail and the internet. The inside front cover of this report contains information on how you can sign up.

We are grateful that you have chosen us as a partner as you pursue your financial goals and we look forward to continuing to earn your trust in the months and years ahead. At Nuveen Investments, our mission continues to be to assist you and your financial advisor by offering investment services and products that can help you to secure your financial objectives.

Sincerely,

/s/ Timothy R. Schwertfeger

Timothy R. Schwertfeger
Chairman of the Board
April 15, 2008

Portfolio Manager's COMMENTS

Nuveen Investments Municipal Closed-End Funds

NPC, NCL, NCU, NAC,
NVX, NZH, NKL, NKX

Portfolio manager Scott Romans examines key investment strategies and the six-month performance of the Nuveen California Municipal Funds. Scott, who joined Nuveen in 2000, has managed NCU, NAC, NVX, NZH, NKL and NKX since 2003. He assumed portfolio management responsibility for NPC and NCL in 2005.

WHAT KEY STRATEGIES WERE USED TO MANAGE THE CALIFORNIA FUNDS DURING THE SIX-MONTH REPORTING PERIOD ENDED FEBRUARY 29, 2008?

During this period, the municipal market experienced a great deal of volatility, as factors related to the sub-prime mortgage crisis had an indirect, but important, influence on the municipal market's performance. As the market moved from rally to slump and back again, we sought to take advantage of this environment by tailoring our investment strategies appropriately. Overall, we believed the Funds were well structured going into this period. When interest rates were low, we continued to invest conservatively by purchasing defensive, high credit quality bonds that we believed would hold their value well when interest rates eventually rose. When disruptions in the financial markets triggered a backup in interest rates and the market discounted lower-quality and higher-yielding bonds, we took a more opportunistic approach to investing. That entailed selling some of the Funds' higher-rated defensive positions and buying lower-rated bonds at attractive levels relative to their credit quality (in the Funds that can hold such bonds) or taking positions in higher-yielding bonds in order to capture the yield advantage of the increase in rates.

The Funds also found ample opportunities to sell some holdings that were purchased when yields were lower and replace them with similar, newer credits that yielded comparatively more. This process enabled us to maintain the Funds' current portfolio characteristics while strengthening their future income streams.

Over the course of the entire reporting period, we saw the municipal yield curve steepen, as municipal bond interest rates at the short end of the curve declined

while longer-term rates rose. In this environment, we continued to emphasize a disciplined approach to duration¹ management. As part of this strategy, we used inverse floating rate securities,² a type of derivative financial instrument, in all eight of these Funds. Inverse floaters typically provide the dual benefit of lengthening the Funds' durations to

- 1 Duration is a measure of a bond's price sensitivity as interest rates change, with longer duration bonds displaying more sensitivity to these changes than bonds with shorter durations.
- 2 An inverse floating rate security is a financial instrument designed to pay long-term tax-exempt interest at a rate that varies inversely with a short-term tax-exempt interest rate index. For the Nuveen Funds, the index typically used is the Securities Industry and Financial Markets (SIFM) Municipal Swap Index (previously referred to as the Bond Market Association Index or BMA). Inverse floaters, including those inverse floating rate securities in which the Funds invested during the reporting period, are further defined within the Notes to Financial Statements and Glossary of Terms Used in This Report sections of this shareholder report.

Discussions of specific investments are for illustrative purposes only and are not intended as recommendations of individual investments. The views expressed in this commentary represent those of the portfolio manager as of the date of this report and are subject to change at any time, based on market conditions and other factors. The Funds disclaim any obligation to advise shareholders of such changes.

4

be closer to our strategic target and enhancing their income-generation capabilities, albeit while adding risk to the portfolio.

The Funds also employed two other types of derivative financial instruments: forward interest rate swaps, which were used in all eight Funds, and futures contracts, which were used in NZH. The goal of these strategies was to help us manage the net asset value (NAV) volatility of these Funds without having a negative impact on their income streams or common share dividends over the short term. During this period, we believed that our use of these derivatives had largely accomplished this goal, and we removed the interest rate swaps from NPC, NCL, NCU, NAC, NVX, NKL, and NKX and the futures contracts from NZH. As of February 29, 2008, NZH continued to hold forward interest rate swap positions.

HOW DID THE FUNDS PERFORM?

Individual results for these Nuveen Funds, as well as relevant index and peer group information, are presented in the accompanying table.

Total Returns on Common Share Net Asset Value*
For periods ended 2/29/08

Uninsured Funds	Six-Month	1-Year	5-Year	10-Year
NCU	-4.47%	-6.89%	3.69%	5.08%
NAC	-4.62%	-6.47%	3.95%	NA
NVX	-2.93%	-5.36%	4.35%	NA
NZH	-6.12%	-9.48%	3.64%	NA

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Lehman Brothers CA Tax-Exempt Bond Index(3)	-1.34%	-2.24%	3.46%	4.68%
Lipper CA Municipal Debt Funds Average(4)	-5.86%	-8.84%	3.63%	4.50%
Insured Funds				
NPC	-2.27%	-3.57%	3.45%	4.73%
NCL	-5.11%	-6.90%	2.90%	4.72%
NKL	-4.58%	-6.67%	3.82%	NA
NKX	-3.50%	-5.48%	4.32%	NA
Lehman Brothers Insured CA Tax-Exempt Bond Index3	-2.03%	-2.99%	3.18%	4.64%
Lipper Insured CA Municipal Debt Funds Average(5)	-6.64%	-9.21%	2.71%	4.42%

* Six-month returns are cumulative; returns for one-year, five-year, and ten-year are annualized.

Past performance is not predictive of future results. Current performance may be higher or lower than the data shown. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares.

For additional information, see the individual Performance Overview for your Fund in this report.

3 The Lehman Brothers California Tax-Exempt Bond Index is an unleveraged, unmanaged index comprising a broad range of investment-grade California municipal bonds, while the Lehman Brothers Insured California Tax-Exempt Bond Index is an unleveraged, unmanaged index containing a broad range of insured California municipal bonds. Results for the Lehman indexes do not reflect any expenses.

4 The Lipper California Municipal Debt Funds Average is calculated using the returns of all closed-end funds in this category for each period as follows: 6 months, 24; 1 year, 24; 5 years, 24; and 10 years, 12. Fund and Lipper returns assume reinvestment of dividends.

5 The Lipper Insured California Municipal Debt Funds Average is calculated using the returns of all closed-end funds in its category for each period as follows: 6 months, 13; 1 year, 13; 5 years, 13; and 10 years, 7. Fund and Lipper returns assume reinvestment of dividends.

For the six months ended February 29, 2008, the cumulative returns on NAV for NCU, NAC, NVX, and NZH underperformed the return on the Lehman Brothers California Tax-Exempt Bond Index, and the six-month returns for NPC, NCL, NKL, and NKX lagged the return on the Lehman Brothers Insured California Tax-Exempt Bond Index. All of the Funds in this report except NZH exceeded the average return for their respective Lipper California Municipal Debt Funds Average.

The two most significant factors in the Funds' performance were leverage-adjusted duration and the use of derivatives. Sector and credit allocations and holdings of bonds backed by certain municipal bond insurers also influenced the Funds' returns on common share NAV.

During this six-month period, bonds in the Lehman Brothers Municipal Bond Index with maturities of less than six years, especially those maturing in approximately three years, benefited the most from changes in the interest rate environment. As a result, these shorter-maturity bonds generally outperformed credits with longer maturities. Bonds having the longest maturities (22 years and longer) posted the worst returns. In this market environment, NVX and NPC benefited from the fact that their durations were shorter than those of the other six Funds in this report, while NCL and NZH had the longest durations among these Funds.

As mentioned earlier, all eight of these Funds used forward interest rate swaps, and NAC and NZH also used futures contracts. In seven of the Funds (all except NZH), these derivative instruments were used to synthetically extend the Funds' durations and move them closer to our strategic duration target. Despite the fact that longer-duration instruments performed relatively poorly, the common share return performances of these seven Funds were actually positively impacted by the use of derivatives. This was due to the fact that the derivatives provided exposure to taxable markets during a period when, in contrast to historical trends, the Treasury market and the municipal market moved in the opposite directions. As municipal market performance lagged the significant gains made by Treasuries, these forward interest rate swaps and futures contracts performed very well, benefiting the seven Funds in direct proportion to the amount of derivatives used. For example, since NVX and NPC had the shortest durations among these Funds, they made the greatest use of forward interest rate swap transactions and benefited the most from their use.

6

However, in NZH, which had a duration that exceeded our target, the derivatives were used to synthetically shorten duration. These positions, which reduced duration in the outperforming taxable markets, hurt the Fund's performance. In addition, the inverse floaters used by all eight of these Funds had a negative impact on performance. This resulted from the fact that the inverse floaters effectively increased the Funds' exposure to longer maturity bonds during a period when shorter maturities were in favor in the market. However, the inverse floaters also benefited the Funds by helping to support their income streams.

Sectors of the market that generally contributed to the Funds' performances included resource recovery, special tax, water and sewer, and electric utilities. Pre-refunded⁶ bonds performed exceptionally well, due primarily to their shorter effective maturities and higher credit quality. Among these eight Funds, NPC and NVX had the heaviest allocations of pre-refunded bonds.

On the other hand, bonds that carried any credit risk, regardless of sector, tended to perform poorly. Revenue bonds as a whole, and specifically the industrial development and health care sectors that had ranked among the top performers in the Lehman Brothers Municipal Bond Index over the past few years, underperformed the general municipal market. Lower credit quality bonds (bonds rated BBB or below) and non-rated bonds also posted poor returns. Credits backed by the 1998 master tobacco settlement agreement generally underperformed as well, due to the overall lower credit quality of the tobacco sector as well as the ample supply of these bonds. The performance of the California Funds was also hurt by their holdings of zero coupon bonds as well as their small positions in gas prepayment contracts for certain municipalities.

Another factor that had an impact on the performance of the California Funds was their position in bonds backed by certain municipal insurers. All of these Funds had exposure to bonds insured by XL Capital Assurance (XLCA) and Financial Guaranty Insurance Company (FGIC). NKL also had a very small position in bonds insured by ACA Financial Guaranty Corporation (ACA), which was downgraded to CCC from A in December 2007. As concern increased about the balance sheets of municipal bond insurers, prices on bonds insured by these companies declined, detracting from the performance of the Funds. At the same time, all of these Funds had holdings of bonds backed by Financial Security Assurance (FSA), which held their value well. The

- 6 Advance refundings, also known as pre-refundings or refinancings, occur when an issuer sells new bonds and uses the proceeds to fund principal and interest payments of older existing bonds. This process often results in lower borrowing costs for bond issuers.

7

California Funds that had heavier exposures to FSA-backed bonds relative to the general market benefited from this good performance. As a whole, the holdings of our Funds continued to be well diversified between insured and uninsured bonds and within the insured bond category.

RECENT DEVELOPMENTS REGARDING BOND INSURANCE COMPANIES AND FUND POLICY CHANGES

The Portfolios of Investments reflect the ratings on certain bonds insured by Ambac, FGIC, MBIA and XLCA as of February 29, 2008. Subsequent to February 29, 2008, at least one rating agency reduced the rating for Ambac-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. As of February 29, 2008, one or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers. It is important to note that municipal bonds historically have had a very low rate of default.

During March 2008, the Nuveen funds' Board of Directors/Trustees approved changes to the investment policies of all the Nuveen insured municipal closed-end fund. The new policies require that (1) at least 80% of the fund's net assets be invested in insured municipal bonds guaranteed by insurers rated "A" or better by at least one rating agency at the time of purchase; (2) at least 80% of the fund's net assets must be invested in municipal bonds rated "AA" or better by at least one rating agency (with or without insurance), deemed to be of comparable quality by the Adviser, or backed by an escrow or trust containing sufficient U.S. Government or Government agency securities at the time of purchase; and (3) up to 20% of the fund's net assets may be invested in uninsured municipal bonds rated "A" to "BBB" by at least one rating agency or deemed to be of comparable quality by the Adviser at the time of purchase. These policy changes are designed to increase portfolio manager flexibility and retain the insured nature of the funds' investment portfolios for current and future environments. Some funds may require shareholder approval prior to implementing these policy changes.

8

RECENT DEVELOPMENTS IN THE AUCTION RATE PREFERRED MARKETS

Beginning in February 2008, more shares were submitted for sale in the regularly scheduled auctions for the auction preferred shares issued by these Funds than there were offers to buy. This meant that these auctions "failed to clear" and that many or all auction preferred shareholders who wanted to sell their shares in these auctions were unable to do so. This decline in liquidity in auction preferred shares did not lower the credit quality of these shares, and auctioned preferred shareholders unable to sell their shares received distributions at the "maximum rate" calculated in accordance with the pre-established terms of the auctioned preferred shares. At the time this report was prepared, the Funds' managers could not predict when future auctions might succeed in attracting sufficient buyers for the shares offered, if ever. The Funds' managers are working diligently to develop mechanisms designed to improve the liquidity of the auctioned preferred shares, or to restructure them, but at present there is no assurance that these efforts will succeed. These developments generally do not affect the management or investment policies of these Funds. However, one implication of these auction failures for common shareholders is that the Funds' cost of leverage will be higher than it otherwise would have been had the auctions continued to be successful. As a result, the Funds' future common share earnings may be lower than they otherwise would have been.

For current, up-to-date information, please visit the Nuveen CEF Auction Rate Preferred Resource Center at:
<http://www.nuveen.com/ResourceCenter/AuctionRatePreferred.aspx>.

Common Share
 Dividend and Share Price
 INFORMATION

All of the Funds in this report use financial leverage. While leverage can add volatility to a Fund's common share NAV and common share price, this strategy can also provide opportunities for additional income and total return for common shareholders. The Funds' use of this strategy continued to provide incremental income, although the extent of this benefit was reduced to a degree in some of the Funds by short-term interest rates that remained relatively high during the earlier part of this period. This, in turn, kept the Funds' borrowing costs high. The Funds' income streams were also impacted as the proceeds from older, higher-yielding bonds that matured or were called were reinvested into bonds then available in the market, which offered lower yields at times during this period. The combination of these factors resulted in one monthly common share dividend reduction in NCL, NVX, and NKL over the six-month period ended February 29, 2008. The common share dividends of NPC, NCU, NAC, NZH, and NKX remained stable throughout this reporting period.

Due to capital gains generated by normal portfolio activity, common shareholders of the following Funds received capital gains and net ordinary income distributions at the end of December 2007 as follows:

Long-Term Capital Gains (per share)	Short-Term Capital Gains and/or Ordinary Income (per share)
--	---

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

NPC	\$0.0056	\$0.0078
NAC	\$0.0357	--
NKL	\$0.0223	--

All of the Funds in this report seek to pay stable dividends at rates that reflect each Fund's past results and projected future performance. During certain periods, each Fund may pay dividends at a rate that may be more or less than the amount of net investment income actually earned by the Fund during the period. If a Fund has cumulatively earned more than it has paid in dividends, it holds the excess in reserve as

10

undistributed net investment income (UNII) as part of the Fund's common share NAV. Conversely, if a Fund has cumulatively paid dividends in excess of its earnings, the excess constitutes negative UNII that is likewise reflected in the Fund's common share NAV. Each Fund will, over time, pay all of its net investment income as dividends to shareholders. As of February 29, 2008, all of the Funds in this report had positive UNII balances, based upon our best estimate, for tax purposes. NPC and NCL had positive UNII balances and NCU, NAC, NVX, NZH, NKL and NKX had negative UNII balances for financial statement purposes.

As of February 29, 2008, the Funds' common share prices were trading at discounts to their common share NAVs as shown in the accompanying chart:

	2/29/08 Discount	Six-Month Average Discount
NPC	-6.00%	-8.07%
NCL	-5.94%	-9.15%
NCU	-6.02%	-8.79%
NAC	-4.55%	-7.73%
NVX	-7.69%	-8.65%
NZH	-4.91%	-7.52%
NKL	-4.76%	-7.78%
NKX	-0.29%	-6.84%

11

NPC
Performance
OVERVIEW

Nuveen Insured California Premium Income Municipal Fund, Inc.

as of February 29, 2008

Pie Chart:
Credit Quality (as a % of total investments) (1)
Insured 68%
U.S. Guaranteed 32%

Bar Chart:
2007-2008 Monthly Tax-Free Dividends Per Common Share (3)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Mar	0.0605
Apr	0.0605
May	0.0605
Jun	0.0605
Jul	0.0605
Aug	0.0605
Sep	0.0605
Oct	0.0605
Nov	0.0605
Dec	0.0605
Jan	0.0605
Feb	0.0605

Line Chart:

Common Share Price Performance -- Weekly Closing Price

3/01/07	15.15
	15.15
	15.153
	15.19
	15.15
	15.24
	15.51
	15.4799
	15.5
	15.72
	15.47
	15.55
	15.55
	15.55
	15.76
	15.55
	15.25
	14.75
	14.78
	14.91
	14.5
	14.4
	14.4
	14.43
	14.45
	13.95
	14.17
	14.96
	14.81
	14.5
	14.12
	14.43
	14.3901
	14.33
	14.2
	14.31
	14.3456
	13.8
	13.5
	13.7
	13.788
	13.99
	13.8
	13.87
	13.9
	14.57
	14.68

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	14.69
	14.6599
	14.84
	15.25
	14.11
	13.89
2/29/08	13.48

FUND SNAPSHOT

Common Share Price	\$13.48
Common Share Net Asset Value	\$14.34
Premium/(Discount) to NAV	-6.00%
Market Yield	5.39%
Taxable-Equivalent Yield(2)	8.25%
Net Assets Applicable to Common Shares (\$000)	\$92,622
Average Effective Maturity on Securities (Years)	14.95
Leverage-Adjusted Duration	12.54

AVERAGE ANNUAL TOTAL RETURN
(Inception 11/19/92)

	ON SHARE PRICE	ON NAV
6-Month (Cumulative)	-7.50%	-2.27%
1-Year	-6.26%	-3.57%
5-Year	2.90%	3.45%
10-Year	4.46%	4.73%

INDUSTRIES

(as a % of total investments)

U.S. Guaranteed	32.3%
Tax Obligation/General	21.5%
Tax Obligation/Limited	20.5%
Water and Sewer	16.6%
Other	9.1%

(1) The percentages shown in the foregoing chart reflect the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. As explained earlier in the Portfolio Manager's Comments section of this

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

report, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. One or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers, and thereby reduce the percentage of the ratings shown in the foregoing chart.

- (2) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- (3) The Fund paid shareholders capital gains and net ordinary income distributions in December 2007 of \$0.0134 per share.

12

NCL Performance OVERVIEW

Nuveen Insured California Premium Income Municipal Fund 2, Inc.
as of February 29, 2008

Pie Chart:

Credit Quality (as a % of total investments)(1)

Insured	78%
U.S. Guaranteed	22%

Bar Chart:

2007-2008 Monthly Tax-Free Dividends Per Common Share

Mar	0.056
Apr	0.056
May	0.056
Jun	0.056
Jul	0.056
Aug	0.056
Sep	0.056
Oct	0.053
Nov	0.053
Dec	0.053
Jan	0.053
Feb	0.053

Line Chart:

Common Share Price Performance -- Weekly Closing Price

3/01/07	14.31
	14.28
	14.45
	14.36
	14.36
	14.55
	14.6899

14.46
14.38
14.65
14.59
14.55
14.55
14.61
14.56
14.38
14.22
14.35
14.24
14.03
13.89
14.16
13.59
13.81
13.57
13.13
13.5
13.71
14.09
14.06
13.71
13.84
13.6025
13.64
13.33
13.29
13.3
13.09
12.7899
13.13
13.14
13.16
12.83
12.81
12.95
13.41
13.66
13.459
13.67
13.62
13.74
12.9999
12.944
12.66
14.45
14.36
14.36
14.55
14.6899
14.46
14.38
14.65
14.59
14.55
14.55
14.61
14.56
14.38
14.22

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	14.35
	14.24
	14.03
	13.89
	14.16
	13.59
	13.81
	13.57
	13.13
	13.5
	13.71
	14.09
	14.06
	13.71
	13.84
	13.6025
	13.64
	13.33
	13.29
	13.3
	13.09
	12.7899
	13.13
	13.14
	13.16
	12.83
	12.81
	12.95
	13.41
	13.66
	13.459
	13.67
	13.62
	13.74
	12.9999
	12.944
2/29/08	12.66

FUND SNAPSHOT

Common Share Price	\$12.66

Common Share	
Net Asset Value	\$13.46

Premium/(Discount) to NAV	-5.94%

Market Yield	5.02%

Taxable-Equivalent Yield(2)	7.69%

Net Assets Applicable to	
Common Shares (\$000)	\$171,124

Average Effective Maturity	
on Securities (Years)	15.98

Leverage-Adjusted Duration	15.80

AVERAGE ANNUAL TOTAL RETURN

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

(Inception 3/18/93)

	ON SHARE PRICE	ON NAV
6-Month (Cumulative)	-5.41%	-5.11%
1-Year	-7.49%	-6.90%
5-Year	2.09%	2.90%
10-Year	4.19%	4.72%

INDUSTRIES

(as a % of total investments)

Tax Obligation/Limited	36.0%
U.S. Guaranteed	21.6%
Tax Obligation/General	13.9%
Water and Sewer	13.1%
Utilities	5.0%
Other	10.4%

- (1) The percentages shown in the foregoing chart reflect the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. As explained earlier in the Portfolio Manager's Comments section of this report, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. One or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers, and thereby reduce the percentage of the ratings shown in the foregoing chart.
- (2) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

13

NCU
Performance
OVERVIEW

Nuveen California Premium Income Municipal Fund

as of February 29, 2008

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Pie Chart:

Credit Quality (as a % of total investments)(1)

AAA/U.S. Guaranteed	55%
AA	14%
A	14%
BBB	11%
BB or Lower	4%
N/R	2%

Bar Chart:

2007-2008 Monthly Tax-Free Dividends Per Common Share(3)

Mar	0.0565
Apr	0.0565
May	0.0565
Jun	0.0535
Jul	0.0535
Aug	0.0535
Sep	0.0535
Oct	0.0535
Nov	0.0535
Dec	0.0535
Jan	0.0535
Feb	0.0535

Line Chart:

Common Share Price Performance -- Weekly Closing Price

3/01/07	14.2
	14.07
	14.1
	13.944
	14.05
	14.14
	14.28
	14.26
	14.2
	14.44
	14.5345
	14.35
	14.3
	14.46
	14.5
	14.35
	13.8768
	13.55
	13.77
	13.63
	13.36
	13.15
	12.82
	13.2
	13.18
	12.63
	12.86
	13.03
	13.3
	13.288
	12.96
	13.02
	12.97
	13.0699

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	12.91
	13
	13.334
	13.1619
	13.16
	13.07
	12.8201
	12.65
	12.39
	12.38
	12.42
	13.06
	13.17
	13.08
	13.29
	13.25
	13.22
	12.57
	12.7
2/29/08	12.34

FUND SNAPSHOT

Common Share Price	\$12.34
Common Share Net Asset Value	\$13.13
Premium/(Discount) to NAV	-6.02%
Market Yield	5.20%
Taxable-Equivalent Yield(2)	7.96%
Net Assets Applicable to Common Shares (\$000)	\$75,817
Average Effective Maturity on Securities (Years)	16.70
Leverage-Adjusted Duration	13.89

AVERAGE ANNUAL TOTAL RETURN
(Inception 6/18/93)

	ON SHARE PRICE	ON NAV
6-Month (Cumulative)	-2.93%	-4.47%
1-Year	-8.64%	-6.89%
5-Year	4.30%	3.69%
10-Year	4.60%	5.08%

INDUSTRIES

(as a % of total investments)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Tax Obligation/Limited	30.1%
Tax Obligation/General	17.1%
Health Care	15.2%
U.S. Guaranteed	14.5%
Water and Sewer	7.2%
Utilities	5.2%
Other	10.7%

- (1) The percentages shown in the foregoing chart reflect the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. As explained earlier in the Portfolio Manager's Comments section of this report, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. One or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers, and thereby reduce the percentage of the ratings shown in the foregoing chart.
- (2) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

NAC
Performance
OVERVIEW

Nuveen California Dividend Advantage Municipal Fund
as of February 29, 2008

Pie Chart:
Credit Quality (as a % of total investments) (1)

AAA/U.S. Guaranteed	55%
AA	6%
A	24%
BBB	8%
BB or Lower	1%
N/R	6%

Bar Chart:
2007-2008 Monthly Tax-Free Dividends Per Common Share (3)

Mar	0.065
Apr	0.065
May	0.065
Jun	0.065

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Jul	0.065
Aug	0.065
Sep	0.0615
Oct	0.0615
Nov	0.0615
Dec	0.0615
Jan	0.0615
Feb	0.0615

Line Chart:

Common Share Price Performance -- Weekly Closing Price

3/01/07	15.85
	15.87
	15.78
	15.64
	15.75
	15.91
	15.77
	15.47
	15.54
	15.74
	15.96
	15.95
	15.95
	15.8301
	16
	15.66
	15.54
	15.4
	15.09
	14.84
	14.54
	14.38
	14.2
	14.32
	14.258
	14.09
	14.3
	14.3399
	14.39
	14.43
	14.06
	14.22
	14.23
	13.99
	13.93
	13.8
	13.914
	13.65
	13.42
	13.44
	13.3401
	13.58
	13.42
	13.32
	13.33
	14.04
	14.06
	13.88
	14.15
	14.4

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	14.49
	13.68
	13.48
2/29/08	13.23

FUND SNAPSHOT

Common Share Price	\$13.23
Common Share Net Asset Value	\$13.86
Premium/(Discount) to NAV	-4.55%
Market Yield	5.58%
Taxable-Equivalent Yield(2)	8.55%
Net Assets Applicable to Common Shares (\$000)	\$325,514
Average Effective Maturity on Securities (Years)	17.96
Leverage-Adjusted Duration	13.75

AVERAGE ANNUAL TOTAL RETURN
(Inception 5/26/99)

	ON SHARE PRICE	ON NAV
6-Month (Cumulative)	-4.99%	-4.62%
1-Year	-12.20%	-6.47%
5-Year	5.02%	3.95%
Since Inception	4.78%	5.76%

INDUSTRIES

(as a % of total investments)

Tax Obligation/Limited	22.7%
U.S. Guaranteed	20.0%
Transportation	12.1%
Health Care	11.4%
Tax Obligation/General	8.7%
Utilities	5.5%
Water and Sewer	5.4%
Other	14.2%

-
- (1) The percentages shown in the foregoing chart reflect the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. As explained earlier in the Portfolio Manager's Comments section of this report, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. One or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers, and thereby reduce the percentage of the ratings shown in the foregoing chart.
 - (2) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
 - (3) The Fund paid shareholders a capital gains distribution in December 2007 of \$0.0357 per share.

15

NVX
Performance
OVERVIEW

Nuveen California Dividend Advantage Municipal Fund 2
as of February 29, 2008

Pie Chart:

Credit Quality (as a % of total investments)(1)

AAA/U.S. Guaranteed	60%
AA	10%
A	14%
BBB	9%
BB or Lower	1%
N/R	6%

Bar Chart:

2007-2008 Monthly Tax-Free Dividends Per Common Share

Mar	0.063
Apr	0.063
May	0.063
Jun	0.06
Jul	0.06
Aug	0.06
Sep	0.06
Oct	0.0575
Nov	0.0575
Dec	0.0575
Jan	0.0575
Feb	0.0575

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Line Chart:

Common Share Price Performance -- Weekly Closing Price

3/01/07	15.26
	15.14
	15.16
	15.15
	15.25
	15.43
	15.5899
	15.32
	15.41
	15.45
	15.5
	15.44
	15.3
	15.16
	15.32
	15.0101
	14.37
	14.19
	14.3
	14.07
	13.96
	13.72
	13.77
	13.73
	13.73
	13.25
	13.56
	13.73
	14.0999
	13.85
	13.7
	13.82
	13.7
	13.63
	13.43
	13.47
	13.5
	13.2
	12.75
	12.84
	13.05
	13.1
	12.91
	12.9
	13.15
	13.84
	13.75
	13.69
	13.89
	13.84
	13.97
	13.24
	13.29
2/29/08	12.85

FUND SNAPSHOT

Common Share Price \$12.85

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Common Share Net Asset Value	\$13.92
Premium/(Discount) to NAV	-7.69%
Market Yield	5.37%
Taxable-Equivalent Yield(2)	8.22%
Net Assets Applicable to Common Shares (\$000)	\$206,042
Average Effective Maturity on Securities (Years)	14.98
Leverage-Adjusted Duration	11.99

AVERAGE ANNUAL TOTAL RETURN
(Inception 3/27/01)

	ON SHARE PRICE	ON NAV
6-Month (Cumulative)	-3.96%	-2.93%
1-Year	11.28%	-5.36%
5-Year	4.90%	4.35%
Since Inception	3.74%	5.36%

INDUSTRIES

(as a % of total investments)

U.S. Guaranteed	29.9%
Tax Obligation/Limited	14.7%
Health Care	12.1%
Education and Civic Organizations	8.2%
Transportation	6.8%
Water and Sewer	6.0%
Consumer Staples	5.3%
Utilities	4.6%
Other	12.4%

- (1) The percentages shown in the foregoing chart reflect the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. As explained earlier in the Portfolio Manager's Comments section of this report, at least one rating agency reduced the rating for AMBAC-insured

bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. One or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers, and thereby reduce the percentage of the ratings shown in the foregoing chart.

- (2) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

16

NZH
Performance
OVERVIEW

Nuveen California Dividend Advantage Municipal Fund 3
as of February 29, 2008

Pie Chart:

Credit Quality (as a % of total investments)(1), (2)

AAA/U.S. Guaranteed	55%
AA	7%
A	20%
BBB	11%
BB or Lower	1%
N/R	6%

Bar Chart:

2007-2008 Monthly Tax-Free Dividends Per Common Share

Mar	0.063
Apr	0.063
May	0.063
Jun	0.059
Jul	0.059
Aug	0.059
Sep	0.059
Oct	0.059
Nov	0.059
Dec	0.059
Jan	0.059
Feb	0.059

Line Chart:

Common Share Price Performance -- Weekly Closing Price

3/01/07	15.15
	15.18
	15.23
	15.15
	15.19
	15.26
	15.3
	15.15

	15.23
	15.19
	15.34
	15.36
	15.22
	15.15
	15.21
	14.559
	14.22
	14.03
	13.96
	13.92
	13.7
	13.62
	13.6
	13.65
	13.57
	13.19
	13.4
	13.52
	13.68
	13.69
	13.38
	13.55
	13.55
	13.34
	13.42
	13.3
	13.39
	13.18
	12.87
	12.91
	12.95
	13.09
	12.71
	12.51
	12.64
	13.48
	13.64
	13.62
	13.78
	13.78
	13.71
	12.91
	12.82
2/29/08	12.4

FUND SNAPSHOT

Common Share Price	\$12.40

Common Share	
Net Asset Value	\$13.04

Premium/(Discount) to NAV	-4.91%

Market Yield	5.71%

Taxable-Equivalent Yield(3)	8.74%

Net Assets Applicable to	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Common Shares (\$000)	\$314,714

Average Effective Maturity on Securities (Years)	18.02

Leverage-Adjusted Duration	15.27

AVERAGE ANNUAL TOTAL RETURN
(Inception 9/25/01)

	ON SHARE PRICE	ON NAV

6-Month (Cumulative)	-5.79%	-6.12%

1-Year	-13.60%	-9.48%

5-Year	4.87%	3.64%

Since Inception	2.99%	4.23%

INDUSTRIES
(as a % of total investments)²

Tax Obligation/Limited	25.1%

Health Care	16.7%

U.S. Guaranteed	16.5%

Tax Obligation/General	10.9%

Water and Sewer	7.7%

Consumer Staples	5.2%

Transportation	4.4%

Other	13.5%

- (1) The percentages shown in the foregoing chart reflect the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. As explained earlier in the Portfolio Manager's Comments section of this report, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. One or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers, and thereby reduce the percentage of the ratings shown in the foregoing chart.
- (2) Excluding derivative transactions.
- (3) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

17

NKL
Performance
OVERVIEW

Nuveen Insured California Dividend Advantage Municipal Fund
as of February 29, 2008

Pie Chart:

Credit Quality (as a % of total investments) (1)

Insured	76%
U.S. Guaranteed	13%
GNMA/FNMA Guaranteed	1%
A (Uninsured)	3%
BBB (Uninsured)	7%

Bar Chart:

2007-2008 Monthly Tax-Free Dividends Per Common Share (3)

Mar	0.065
Apr	0.065
May	0.065
Jun	0.062
Jul	0.062
Aug	0.062
Sep	0.062
Oct	0.0595
Nov	0.0595
Dec	0.0595
Jan	0.0595
Feb	0.0595

Line Chart:

Common Share Price Performance -- Weekly Closing Price

3/01/07	15.45
	15.45
	15.72
	15.65
	15.87
	15.9
	15.94
	15.76
	15.84
	16
	16.1
	15.95
	15.8499
	15.79
	15.76
	15.2299
	15.1
	15.1
	14.98
	14.95

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	14.72
	14.25
	14
	14.3799
	14.23
	13.73
	14.24
	14.24
	14.71
	14.72
	14.16
	14.35
	14.4425
	14.07
	13.98
	13.86
	13.981
	13.732
	13.21
	13.28
	13.44
	13.81
	13.11
	13.06
	13.55
	14.21
	14.16
	14.16
	14.12
	14.38
	14.42
	13.57
	13.6506
2/29/08	13.212

FUND SNAPSHOT

Common Share Price	\$13.21

Common Share	
Net Asset Value	\$13.87

Premium/(Discount) to NAV	-4.76%

Market Yield	5.40%

Taxable-Equivalent Yield(2)	8.27%

Net Assets Applicable to	
Common Shares (\$000)	\$212,072

Average Effective Maturity	
on Securities (Years)	17.93

Leverage-Adjusted Duration	15.24

AVERAGE ANNUAL TOTAL RETURN
(Inception 3/25/02)

ON SHARE PRICE	ON NAV

6-Month (Cumulative)	-4.67%	-4.58%
1-Year	-9.91%	-6.67%
5-Year	3.97%	3.82%
Since Inception	3.91%	5.37%

INDUSTRIES

(as a % of total investments)²

Tax Obligation/Limited	33.3%
Tax Obligation/General	16.6%
U.S. Guaranteed	12.5%
Utilities	12.0%
Water and Sewer	9.8%
Health Care	3.8%
Other	12.0%

- (1) The percentages shown in the foregoing chart reflect the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. As explained earlier in the Portfolio Manager's Comments section of this report, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. One or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers, and thereby reduce the percentage of the ratings shown in the foregoing chart.
- (2) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- (3) The Fund paid shareholders a capital gains distribution in December 2007 of \$0.0223 per share.

NKX

Performance

OVERVIEW

Nuveen Insured California Tax-Free Advantage Municipal Fund

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

as of February 29, 2008

Pie Chart:

Credit Quality (as a % of total investments)(1)

Insured	69%
U.S. Guaranteed	19%
A (Uninsured)	5%
BBB (Uninsured)	7%

Bar Chart:

2007-2008 Monthly Tax-Free Dividends Per Common Share

Mar	0.059
Apr	0.059
May	0.059
Jun	0.059
Jul	0.059
Aug	0.059
Sep	0.059
Oct	0.059
Nov	0.059
Dec	0.059
Jan	0.059
Feb	0.059

Line Chart:

Common Share Price Performance -- Weekly Closing Price

3/01/07	14.73
	15.0099
	15.11
	15.22
	14.78
	14.93
	15.09
	15.4
	15.57
	15.48
	15.2
	15.34
	14.97
	14.86
	15.31
	15
	14.646
	14.6
	14.55
	14.25
	14.76
	14.5
	14.05
	14.3
	14.42
	13.904
	14.1
	14.47
	14.75
	14.82
	14.41
	14.63
	14.425
	14.21

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	14.39
	14.24
	14.27
	13.6999
	13.47
	13.5901
	13.67
	14.07
	14.3
	13.59
	14.2
	14.79
	14.96
	14.95
	15.05
	14.72
	14.76
	14.04
	14.14
2/29/08	13.59

FUND SNAPSHOT

Common Share Price	\$13.59
Common Share Net Asset Value	\$13.63
Premium/(Discount) to NAV	-0.29%
Market Yield	5.21%
Taxable-Equivalent Yield(2)	7.98%
Net Assets Applicable to Common Shares (\$000)	\$80,250
Average Effective Maturity on Securities (Years)	17.67
Leverage-Adjusted Duration	15.12

AVERAGE ANNUAL TOTAL RETURN
(Inception 11/21/02)

	ON SHARE PRICE	ON NAV
6-Month (Cumulative)	-3.73%	-3.50%
1-Year	-3.16%	-5.48%
5-Year	4.21%	4.32%
Since Inception	3.66%	4.52%

INDUSTRIES

(as a % of total investments)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Tax Obligation/Limited	32.6%
-----	-----
U.S. Guaranteed	18.7%
-----	-----
Tax Obligation/General	13.6%
-----	-----
Water and Sewer	10.0%
-----	-----
Transportation	7.1%
-----	-----
Health Care	6.6%
-----	-----
Other	11.4%
-----	-----

- (1) The percentages shown in the foregoing chart reflect the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. As explained earlier in the Portfolio Manager's Comments section of this report, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. One or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers, and thereby reduce the percentage of the ratings shown in the foregoing chart.

- (2) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

NPC
 NCL
 NCU

Shareholder MEETING REPORT

The annual meeting of shareholders was held in the offices of Nuveen Investments on December 18, 2007; at this meeting shareholders were asked to vote on the election of Board Members. Additionally, a special meeting of shareholders was held in the offices of Nuveen Investments on October 12, 2007; at this meeting shareholders were asked to vote on a new Investment Management Agreement and to ratify the selection of Ernst & Young LLP as the Funds' independent registered public accounting firm; the meetings for Nuveen California Dividend Advantage Municipal Fund 2 (NVX), Nuveen California Dividend Advantage Municipal Fund 3 (NZH), Nuveen Insured California Dividend Advantage Municipal Fund (NKL) and Nuveen Insured California Tax-Free Advantage Municipal Fund (NKX) were subsequently adjourned to October 22, 2007, and additionally adjourned to November 8, 2007, for NVX, NZH and NKL.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	(NPC)		(NCL)	

TO APPROVE A NEW INVESTMENT MANAGEMENT AGREEMENT:				
	Common and MuniPreferred shares voting together as a class	MuniPreferred shares voting together as a class	Common and MuniPreferred shares voting together as a class	MuniPreferred shares voting together as a class
=====				
For	3,249,962	--	6,266,550	--
Against	130,315	--	228,551	--
Abstain	119,589	--	239,066	--
Broker Non-Votes	1,015,442	--	2,126,948	--

Total	4,515,308	--	8,861,115	--
=====				
APPROVAL OF THE BOARD MEMBERS WAS REACHED AS FOLLOWS:				
Robert P. Bremner				
For	5,732,659	--	11,553,188	--
Withhold	69,815	--	143,579	--

Total	5,802,474	--	11,696,767	--
=====				
Jack B. Evans				
For	5,732,959	--	11,546,697	--
Withhold	69,515	--	150,070	--

Total	5,802,474	--	11,696,767	--
=====				
William C. Hunter				
For	5,733,059	--	11,552,097	--
Withhold	69,415	--	144,670	--

Total	5,802,474	--	11,696,767	--
=====				
David J. Kundert				
For	5,731,959	--	11,552,317	--
Withhold	70,515	--	144,450	--

Total	5,802,474	--	11,696,767	--
=====				
William J. Schneider				
For	--	1,377	--	3,049
Withhold	--	4	--	7

Total	--	1,381	--	3,056
=====				
Timothy R. Schwertfeger				
For	--	1,377	--	3,049
Withhold	--	4	--	7

Total	--	1,381	--	3,056
=====				
Judith M. Stockdale				
For	5,732,859	--	11,552,588	--
Withhold	69,615	--	144,179	--

Total	5,802,474	--	11,696,767	--
=====				
Carole E. Stone				
For	5,732,859	--	11,547,897	--

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Withhold	69,615	--	148,870	--

Total	5,802,474	--	11,696,767	--
=====				
TO RATIFY THE SELECTION OF ERNST & YOUNG LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE CURRENT FISCAL YEAR:				
For	4,351,724	--	8,592,302	--
Against	78,171	--	68,171	--
Abstain	85,413	--	200,642	--

Total	4,515,308	--	8,861,115	--
=====				

20

NAC
NVX
NZH

	CALIFORNIA DIVIDEND ADVANTAGE (NAC)		CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	
	Common and MuniPreferred shares voting together as a class	MuniPreferred shares voting together as a class	Common and MuniPreferred shares voting together as a class	MuniPreferred shares voting together as a class

TO APPROVE A NEW INVESTMENT MANAGEMENT AGREEMENT:				
For	11,519,066	--	7,524,024	--
Against	452,805	--	362,274	--
Abstain	457,250	--	339,547	--
Broker Non-Votes	4,540,346	--	2,655,816	--

Total	16,969,467	--	10,881,661	--
=====				

APPROVAL OF THE BOARD MEMBERS WAS REACHED AS FOLLOWS:

Robert P. Bremner				
For	--	--	--	--
Withhold	--	--	--	--

Total	--	--	--	--
=====				
Jack B. Evans				
For	--	--	--	--
Withhold	--	--	--	--

Total	--	--	--	--
=====				
William C. Hunter				
For	--	--	--	--
Withhold	--	--	--	--

Total	--	--	--	--
=====				
David J. Kundert				
For	--	--	--	--
Withhold	--	--	--	--

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Total	--	--	--	--
=====				
William J. Schneider				
For	--	5,829	--	3,704
Withhold	--	33	--	13
Total	--	5,862	--	3,717
=====				
Timothy R. Schwertfeger				
For	--	5,829	--	3,704
Withhold	--	33	--	13
Total	--	5,862	--	3,717
=====				
Judith M. Stockdale				
For	21,961,662	--	13,813,497	--
Withhold	265,174	--	183,594	--
Total	22,226,836	--	13,997,091	--
=====				
Carole E. Stone				
For	21,963,592	--	13,813,821	--
--				
Withhold	263,244	--	183,270	--
Total	22,226,836	--	13,997,091	--
=====				
TO RATIFY THE SELECTION OF ERNST & YOUNG LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE CURRENT FISCAL YEAR:				
For	16,517,077	--	10,517,764	--
Against	106,577	--	94,528	--
Abstain	345,813	--	269,369	--
Total	16,969,467	--	10,881,661	--
=====				

21

NKL
NKX

Shareholder MEETING REPORT (continued)

INSURED CALIFORNIA
DIVIDEND ADVANTAGE
(NKL)

TO APPROVE A NEW INVESTMENT MANAGEMENT AGREEMENT:

	Common and MuniPreferred shares voting together as a class	MuniPreferred shares voting together as a class
For	7,881,610	--
Against	318,941	--
Abstain	356,200	--

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Broker Non-Votes	2,790,520	--

Total	11,347,271	--
=====		
APPROVAL OF THE BOARD MEMBERS WAS REACHED AS FOLLOWS:		
Robert P. Bremner		
For	--	--
Withhold	--	--

Total	--	--
=====		
Jack B. Evans		
For	--	--
Withhold	--	--

Total	--	--
=====		
William C. Hunter		
For	--	--
Withhold	--	--

Total	--	--
=====		
David J. Kundert		
For	--	--
Withhold	--	--

Total	--	--
=====		
William J. Schneider		
For	--	3,793
Withhold	--	16

Total	--	3,809
=====		
Timothy R. Schwertfeger		
For	--	3,793
Withhold	--	16

Total	--	3,809
=====		
Judith M. Stockdale		
For	14,050,217	--
Withhold	283,925	--

Total	14,334,142	--
=====		
Carole E. Stone		
For	14,058,484	--
Withhold	275,658	--

Total	14,334,142	--
=====		
TO RATIFY THE SELECTION OF ERNST & YOUNG LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE CURRENT FISCAL YEAR:		
For	10,907,472	--
Against	218,503	--
Abstain	221,296	--

Total	11,347,271	--
=====		

NPC

Nuveen Insured California Premium Income Municipal Fund, Inc.
Portfolio of INVESTMENTS

February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

EDUCATION AND CIVIC ORGANIZATIONS - 5.3% (3.6% OF TOTAL INVESTMENTS)		
\$ 2,125	California Educational Facilities Authority, Student Loan Revenue Bonds, Cal Loan Program, Series 2001A, 5.400%, 3/01/21 - MBIA Insured (Alternative Minimum Tax)	3/08 at 10
1,500	California State University, Systemwide Revenue Bonds, Series 2005A, 5.000%, 11/01/25 - AMBAC Insured	5/15 at 10
1,500	University of California, General Revenue Bonds, Series 2006J, 4.500%, 5/15/35 - FSA Insured	5/15 at 10

5,125	Total Education and Civic Organizations	

HEALTH CARE - 4.9% (3.4% OF TOTAL INVESTMENTS)		
3,000	California Health Facilities Financing Authority, Insured Revenue Bonds, Sutter Health, Series 1998A, 5.375%, 8/15/30 - MBIA Insured	8/08 at 10
1,500	California Statewide Community Development Authority, Certificates of Participation, Sutter Health Obligated Group, Series 1999, 5.500%, 8/15/19 - FSA Insured	8/09 at 10

4,500	Total Health Care	

HOUSING/SINGLE FAMILY - 0.3% (0.2% OF TOTAL INVESTMENTS)		
210	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 10
100	California Housing Finance Agency, Single Family Mortgage Bonds II, Series 1997A-1, 6.000%, 8/01/20 - MBIA Insured (Alternative Minimum Tax)	8/08 at 10

310	Total Housing/Single Family	

TAX OBLIGATION/GENERAL - 31.3% (21.5% OF TOTAL INVESTMENTS)		

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	Bonita Unified School District, San Diego County, California, General Obligation Bonds, Series 2004A:		
1,890	5.250%, 8/01/23 - MBIA Insured		8/14 at 10
1,250	5.250%, 8/01/25 - MBIA Insured		8/14 at 10
2,000	California, General Obligation Veterans Welfare Bonds, Series 2001BZ, 5.375%, 12/01/24 - MBIA Insured (Alternative Minimum Tax)		6/08 at 10
	El Segundo Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2004:		
2,580	5.250%, 9/01/21 - FGIC Insured		9/14 at 10
1,775	5.250%, 9/01/22 - FGIC Insured		9/14 at 10
1,225	Fresno Unified School District, Fresno County, California, General Obligation Refunding Bonds, Series 1998A, 6.550%, 8/01/20 - MBIA Insured		2/13 at 10
1,180	Jurupa Unified School District, Riverside County, California, General Obligation Bonds, Series 2004, 5.000%, 8/01/21 - FGIC Insured		8/13 at 10
3,000	Pomona Unified School District, Los Angeles County, California, General Obligation Refunding Bonds, Series 1997A, 6.500%, 8/01/19 - MBIA Insured		8/11 at 10
160	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured		8/15 at 10
3,000	Sacramento City Unified School District, Sacramento County, California, General Obligation Bonds, Series 2005, 5.000%, 7/01/27 - MBIA Insured		7/15 at 10

23

NPC

Nuveen Insured California Premium Income Municipal Fund, Inc. (continued)
Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

	PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
		TAX OBLIGATION/GENERAL (continued)	
		San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 2001C:	
\$	1,335	5.000%, 7/01/21 - FSA Insured	7/11 at 10
	3,500	5.000%, 7/01/22 - FSA Insured	7/11 at 10
	4,895	5.000%, 7/01/23 - FSA Insured	7/11 at 10
	27,790	Total Tax Obligation/General	

TAX OBLIGATION/LIMITED - 29.9% (20.5% OF TOTAL INVESTMENTS)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

1,000	Brea and Olinda Unified School District, Orange County, California, Certificates of Participation Refunding, Series 2002A, 5.125%, 8/01/26 - FSA Insured	8/11 at 10
	California Infrastructure Economic Development Bank, Revenue Bonds, North County Center for Self-Sufficiency Corporation, Series 2004:	
1,215	5.000%, 12/01/19 - AMBAC Insured	12/13 at 10
1,615	5.000%, 12/01/21 - AMBAC Insured	12/13 at 10
195	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 10
595	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 - AMBAC Insured	9/16 at 10
1,900	Corona-Norco Unified School District, Riverside County, California, Special Tax Bonds, Community Facilities District 98-1, Series 2002, 5.100%, 9/01/25 - AMBAC Insured	9/12 at 10
5,000	El Monte, California, Senior Lien Certificates of Participation, Department of Public Services Facility Phase II, Series 2001, 5.250%, 1/01/34 - AMBAC Insured	1/11 at 10
2,050	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Revenue Bonds, Drivers Trust 2091, 8.252%, 6/01/45 - AGC Insured (IF)	6/15 at 10
1,000	Hesperia Public Financing Authority, California, Redevelopment and Housing Projects Tax Allocation Bonds, Series 2007A, 5.000%, 9/01/37 - XLCA Insured	9/17 at 10
435	Indian Wells Redevelopment Agency, California, Tax Allocation Bonds, Consolidated Whitewater Project Area, Series 2003A, 5.000%, 9/01/20 - AMBAC Insured	9/13 at 10
345	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 10
895	Los Angeles Community Redevelopment Agency, California, Tax Allocation Bonds, Bunker Hill Project, Series 2004A, 5.000%, 12/01/20 - FSA Insured	12/14 at 10
1,500	Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Police Headquarters, Series 2006A, 4.750%, 1/01/31 - FGIC Insured	1/17 at 10
1,050	Moreno Valley Community Redevelopment Agency, California, Tax Allocation Bonds, Trust 1028, 6.644%, 8/01/38 - AMBAC Insured (IF)	8/17 at 10
2,500	Rancho Cucamonga Redevelopment Agency, California, Tax Allocation Bonds, Trust 1029, 7.623%, 9/01/34 - MBIA Insured (IF)	9/17 at 10
165	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - XLCA Insured	9/15 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

205	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 10
1,500	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 8/01/28 - MBIA Insured	8/15 at 10
3,565	Sweetwater Union High School District Public Financing Authority, California, Special Tax Revenue Bonds, Series 2005A, 5.000%, 9/01/25 - FSA Insured	9/15 at 10
2,805	Yucaipa-Calimesa Joint Unified School District, San Bernardino County, California, General Obligation Refunding Bonds, Series 2001A, 5.000%, 10/01/31 - MBIA Insured	10/11 at 10
29,535	Total Tax Obligation/Limited	

24

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
	TRANSPORTATION - 2.5% (1.7% OF TOTAL INVESTMENTS)	
\$ 2,400	San Diego Unified Port District, California, Revenue Bonds, Series 2004B, 5.000%, 9/01/29 - MBIA Insured	9/14 at 10
	U.S. GUARANTEED - 47.0% (32.3% OF TOTAL INVESTMENTS) (4)	
7,995	California, Various Purpose General Obligation Bonds, Series 2000: 5.750%, 3/01/22 (Pre-refunded 3/01/10) - MBIA Insured	3/10 at 10
2,000	5.750%, 3/01/27 (Pre-refunded 3/01/10) - MBIA Insured	3/10 at 10
2,500	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Series 2001A, 5.125%, 8/01/26 - FSA Insured (ETM)	8/09 at 10
6,000	Huntington Park Redevelopment Agency, California, Single Family Residential Mortgage Revenue Refunding Bonds, Series 1986A, 8.000%, 12/01/19 (ETM)	No Opt.
5,135	Palmdale Community Redevelopment Agency, California, Single Family Restructured Mortgage Revenue Bonds, Series 1986A, 8.000%, 3/01/16 (Alternative Minimum Tax) (ETM)	No Opt.
6,220	Riverside County, California, GNMA Mortgage-Backed Securities Program Single Family Mortgage Revenue Bonds, Series 1987A, 9.000%, 5/01/21 (Alternative Minimum Tax) (ETM)	No Opt.
1,485	San Jose, California, Single Family Mortgage Revenue Bonds, Series 1985A, 9.500%, 10/01/13 (ETM)	No Opt.
3,000	Santa Clara County Financing Authority, California, Lease Revenue Bonds, VMC Facility Replacement Project, Series 1997A, 5.000%, 11/15/22 (Pre-refunded 3/17/08) - AMBAC Insured	3/08 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

2,150	Santa Clara Valley Water District, California, Water Utility System Revenue Bonds, Series 2000A, 5.125%, 6/01/31 (Pre-refunded 6/01/10) - FGIC Insured	6/10 at 10
-------	--	------------

36,485	Total U.S. Guaranteed	
--------	-----------------------	--

UTILITIES - 0.4% (0.2% OF TOTAL INVESTMENTS)

345	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - XLCA Insured	9/15 at 10
-----	--	------------

WATER AND SEWER - 24.1% (16.6% OF TOTAL INVESTMENTS)

5,255	El Dorado Irrigation District, California, Water and Sewer Certificates of Participation, Series 2003A, 5.000%, 3/01/20 - FGIC Insured	3/13 at 10
-------	--	------------

1,230	El Dorado Irrigation District, California, Water and Sewer Certificates of Participation, Series 2004A, 5.000%, 3/01/21 - FGIC Insured	3/14 at 10
-------	--	------------

235	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - MBIA Insured	4/16 at 10
-----	--	------------

5,000	Indio Water Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 4/01/31 - AMBAC Insured	4/16 at 10
-------	--	------------

220	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 - MBIA Insured	6/16 at 10
-----	---	------------

1,500	Placerville Public Financing Authority, California, Wastewater System Refinancing and Improvement Project Revenue Bonds, Series 2006, 5.000%, 9/01/34 - XLCA Insured	9/16 at 10
-------	--	------------

3,400	San Diego Public Facilities Financing Authority, California, Sewerage Revenue Bonds, Series 1997A, 5.250%, 5/15/22 - FGIC Insured	5/08 at 10
-------	---	------------

1,310	Santa Fe Springs Public Financing Authority, California, Water Revenue Bonds, Series 2003A, 5.000%, 5/01/33 - MBIA Insured	5/13 at 10
-------	--	------------

1,345	West Basin Municipal Water District, California, Revenue Certificates of Participation, Series 2003A, 5.000%, 8/01/20 - MBIA Insured	8/13 at 10
-------	--	------------

2,000	Westlands Water District, California, Revenue Certificates of Participation, Series 2005A, 5.000%, 9/01/30 - MBIA Insured	3/15 at 10
-------	---	------------

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
	WATER AND SEWER (continued)	
\$ 1,310	Wheeler Ridge-Maricopa Water District, Kern County, California, Water Revenue Refunding Bonds, Series 1996, 5.700%, 11/01/15 - AMBAC Insured	5/08 at 10
22,805	Total Water and Sewer	
\$ 129,295	Total Investments (cost \$132,991,181) - 145.7%	

Other Assets Less Liabilities - 2.9%

Preferred Shares, at Liquidation Value - (48.6)% (5)

Net Assets Applicable to Common Shares - 100%

As of February 29, 2008, all of the bonds in the Portfolio of Investments, are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance, or are backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, any of which ensure the timely payment of principal and interest.

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.
- (3) Ratings: Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

The Portfolio of Investments reflects the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. Subsequent to February 29, 2008, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. As of February 29, 2008, one or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers.

- (4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure

the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

- (5) Preferred Shares, at Liquidation Value as a percentage of total investments is (33.4)%.
- (ETM) Escrowed to maturity.
- (IF) Inverse floating rate investment.

See accompanying notes to financial statements.

26

NCL

Nuveen Insured California Premium Income Municipal Fund 2, Inc.
Portfolio of INVESTMENTS

February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

EDUCATION AND CIVIC ORGANIZATIONS - 5.9% (3.6% OF TOTAL INVESTMENTS)		
\$ 620	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2000, 5.875%, 11/01/20 - MBIA Insured	11/10 at 10
2,125	California Educational Facilities Authority, Student Loan Revenue Bonds, Cal Loan Program, Series 2001A, 5.400%, 3/01/21 - MBIA Insured (Alternative Minimum Tax)	3/08 at 10
1,500	California State University, Systemwide Revenue Bonds, Series 2005A, 5.000%, 11/01/25 - AMBAC Insured	5/15 at 10
6,000	University of California, Revenue Bonds, Multi-Purpose Projects, Series 2003A, 5.000%, 5/15/27 - AMBAC Insured	5/13 at 10

10,245	Total Education and Civic Organizations	

HEALTH CARE - 1.4% (0.9% OF TOTAL INVESTMENTS)		
2,000	The Regents of the University of California, Medical Center Pooled Revenue Bonds, Series 2007A, 4.500%, 5/15/37 - MBIA Insured	5/15 at 10
650	University of California, Hospital Revenue Bonds, UCLA Medical Center, Series 2004A, 5.500%, 5/15/18 - AMBAC Insured	5/12 at 10

2,650	Total Health Care	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

HOUSING/SINGLE FAMILY - 2.3% (1.4% OF TOTAL INVESTMENTS)

400	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 10
2,410	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006K, 5.500%, 2/01/42 - AMBAC Insured (Alternative Minimum Tax)	2/16 at 10
1,100	California Housing Finance Agency, Single Family Mortgage Bonds, Series 1997C-2-II, 5.625%, 8/01/20 - MBIA Insured (Alternative Minimum Tax)	8/08 at 10

3,910	Total Housing/Single Family	

TAX OBLIGATION/GENERAL - 22.5% (13.9% OF TOTAL INVESTMENTS)

1,460	ABC Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2000B, 5.750%, 8/01/16 - FGIC Insured	8/10 at 10
1,425	Bassett Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2006B, 5.250%, 8/01/30 - FGIC Insured	8/16 at 10
3,000	California State, General Obligation Bonds, Series 2006, 4.500%, 9/01/36 - FSA Insured	9/16 at 10
4,400	California, General Obligation Bonds, Series 2003, 5.000%, 2/01/31 - MBIA Insured	2/13 at 10
3,000	California, General Obligation Veterans Welfare Bonds, Series 2001BZ, 5.375%, 12/01/24 - MBIA Insured (Alternative Minimum Tax)	6/08 at 10
1,910	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Series 2002A, 6.000%, 8/01/26 - MBIA Insured (4)	No Opt.
1,255	Los Angeles Community College District, Los Angeles County, California, General Obligation Bonds, Series 2005A, 5.000%, 8/01/24 - FSA Insured	8/15 at 10
4,000	Los Angeles Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2007A, 4.500%, 7/01/24 - FSA Insured	7/17 at 10

27

NCL

Nuveen Insured California Premium Income Municipal Fund 2, Inc. (continued)
Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

TAX OBLIGATION/GENERAL (continued)

		Los Rios Community College District, Sacramento, El Dorado and Yolo Counties, California, General Obligation Bonds, Series 2006C:	
\$	2,110	5.000%, 8/01/21 - FSA Insured	8/14 at 10
	3,250	5.000%, 8/01/22 - FSA Insured	8/14 at 10
	3,395	5.000%, 8/01/23 - FSA Insured	8/14 at 10
	1,270	Merced City School District, Merced County, California, General Obligation Bonds, Series 2004, 5.000%, 8/01/22 - FGIC Insured	8/13 at 10
	305	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 10
	2,500	Sacramento City Unified School District, Sacramento County, California, General Obligation Bonds, Series 2005, 5.000%, 7/01/27 - MBIA Insured	7/15 at 10
	1,125	San Diego Unified School District, California, General Obligation Bonds, Election of 1998, Series 1999A, 0.000%, 7/01/21 - FGIC Insured	No Opt.
	2,000	San Francisco Community College District, California, General Obligation Bonds, Series 2002A, 5.000%, 6/15/26 - FGIC Insured	6/10 at 10
	1,000	San Ramon Valley Unified School District, Contra Costa County, California, General Obligation Bonds, Series 2004, 5.000%, 8/01/24 - FSA Insured	8/14 at 10
	2,445	Washington Unified School District, Yolo County, California, General Obligation Bonds, Series 2004A, 5.000%, 8/01/21 - FGIC Insured	8/13 at 10

	39,850	Total Tax Obligation/General	

TAX OBLIGATION/LIMITED - 58.2% (36.0% OF TOTAL INVESTMENTS)

		Anaheim Public Finance Authority, California, Subordinate Lease Revenue Bonds, Public Improvement Project, Series 1997C:	
	5,130	0.000%, 9/01/18 - FSA Insured	No Opt.
	8,000	0.000%, 9/01/21 - FSA Insured	No Opt.
		California Infrastructure Economic Development Bank, Revenue Bonds, North County Center for Self-Sufficiency Corporation, Series 2004:	
	1,535	5.000%, 12/01/20 - AMBAC Insured	12/13 at 10
	1,780	5.000%, 12/01/23 - AMBAC Insured	12/13 at 10
	3,725	California State Public Works Board, Lease Revenue Bonds, Department of Corrections & Rehabilitation, Series 2005J, 5.000%, 1/01/17 - AMBAC Insured	1/16 at 10
	380	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

6,000	El Monte, California, Senior Lien Certificates of Participation, Department of Public Services Facility Phase II, Series 2001, 5.000%, 1/01/21 - AMBAC Insured	1/11 at 10
8,280	Fontana Public Financing Authority, California, Tax Allocation Revenue Bonds, North Fontana Redevelopment Project, Series 2005A, 5.000%, 10/01/32 - AMBAC Insured	10/15 at 10
3,000	Galt Schools Joint Powers Authority, Sacramento County, California, Revenue Refunding Bonds, High School and Elementary School Facilities, Series 1997A, 5.875%, 11/01/24 - MBIA Insured	5/08 at 10
4,025	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Revenue Bonds, Drivers Trust 2091, 8.252%, 6/01/45 - AGC Insured (IF)	6/15 at 10
4,500	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Revenue Bonds, Residual Series 2040, 3.530%, 6/01/45 - FGIC Insured (IF)	6/15 at 10
20,110	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A: 5.000%, 6/01/35 - FGIC Insured (UB)	6/15 at 10
2,345	5.000%, 6/01/38 - FGIC Insured (UB)	6/15 at 10
1,255	Hesperia Public Financing Authority, California, Redevelopment and Housing Projects Tax Allocation Bonds, Series 2007A, 5.000%, 9/01/37 - XLCA Insured	9/17 at 10
1,700	Hesperia Unified School District, San Bernardino County, California, Certificates of Participation, Capital Improvement, Series 2007, 5.000%, 2/01/41 - AMBAC Insured	2/17 at 10

28

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	TAX OBLIGATION/LIMITED (continued)	
\$ 1,810	Kern County Board of Education, California, Certificates of Participation Refunding, Series 1998A, 5.200%, 5/01/28 - MBIA Insured	5/08 at 10
5,000	La Quinta Redevelopment Agency, California, Tax Allocation Refunding Bonds, Redevelopment Project Area 1, Series 1998, 5.200%, 9/01/28 - AMBAC Insured	3/08 at 10
2,185	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 10
1,000	Los Angeles Community Redevelopment Agency, California, Tax Allocation Bonds, Bunker Hill Project, Series 2004A, 5.000%, 12/01/20 - FSA Insured	12/14 at 10
1,250	Los Angeles County Metropolitan Transportation Authority,	7/13 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	California, Proposition A First Tier Senior Sales Tax Revenue Bonds, Series 2003B, 5.000%, 7/01/19 - MBIA Insured	
4,000	Los Angeles, California, Certificates of Participation, Municipal Improvement Corporation, Series 2003AW, 5.000%, 6/01/33 - AMBAC Insured	6/13 at 10
3,000	Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Police Headquarters, Series 2006A, 4.750%, 1/01/31 - FGIC Insured	1/17 at 10
2,045	Moreno Valley Community Redevelopment Agency, California, Tax Allocation Bonds, Trust 1028, 6.644%, 8/01/38 - AMBAC Insured (IF)	8/17 at 10
4,140	Plumas County, California, Certificates of Participation, Capital Improvement Program, Series 2003A, 5.000%, 6/01/28 - AMBAC Insured	6/13 at 10
390	Poway Redevelopment Agency, California, Tax Allocation Refunding Bonds, Paguay Redevelopment Project, Series 2000, 5.750%, 6/15/33 - MBIA Insured	12/10 at 10
325	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - XLCA Insured	9/15 at 10
1,000	Rocklin Unified School District, Placer County, California, Special Tax Bonds, Community Facilities District 1, Series 2004, 5.000%, 9/01/25 - MBIA Insured	9/13 at 10
405	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 10
5,000	San Bernardino Joint Powers Financing Authority, California, Certificates of Participation Refunding, Police Station Financing Project, Series 1999, 5.500%, 9/01/20 - MBIA Insured	9/09 at 10
1,500	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 8/01/28 - MBIA Insured	8/15 at 10
5,510	Sweetwater Union High School District Public Financing Authority, California, Special Tax Revenue Bonds, Series 2005A, 5.000%, 9/01/28 - FSA Insured	9/15 at 10
1,020	Washington Unified School District, Yolo County, California, Certificates of Participation, Series 2007, 5.125%, 8/01/37 - AMBAC Insured	8/17 at 10

111,345	Total Tax Obligation/Limited	

	TRANSPORTATION - 7.3% (4.5% OF TOTAL INVESTMENTS)	
6,500	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 0.000%, 1/15/18 - MBIA Insured	1/10 at 6
4,000	Orange County Transportation Authority, California, Toll Road Revenue Bonds, 91 Express Lanes Project, Series 2003A,	8/13 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

5.000%, 8/15/18 - AMBAC Insured

5,000	San Francisco Airports Commission, California, Revenue Refunding Bonds, San Francisco International Airport, Second Series 2001, Issue 27A, 5.250%, 5/01/31 - MBIA Insured (Alternative Minimum Tax)	5/11 at 10
-------	--	------------

15,500	Total Transportation	
--------	----------------------	--

U.S. GUARANTEED - 34.9% (21.6% OF TOTAL INVESTMENTS) (5)

1,380	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2000, 5.875%, 11/01/20 (Pre-refunded 11/01/10) - MBIA Insured	11/10 at 10
-------	---	-------------

29

NCL

Nuveen Insured California Premium Income Municipal Fund 2, Inc. (continued)
Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
U.S. GUARANTEED (5) (continued)		
	California Infrastructure Economic Development Bank, Revenue Bonds, Asian Art Museum of San Francisco, Series 2000:	
\$ 1,295	5.500%, 6/01/19 (Pre-refunded 6/01/10) - MBIA Insured	6/10 at 10
1,000	5.500%, 6/01/20 (Pre-refunded 6/01/10) - MBIA Insured	6/10 at 10
3,450	California State Public Works Board, Lease Revenue Bonds, Department of Health Services, Series 1999A, 5.750%, 11/01/24 (Pre-refunded 11/01/09) - MBIA Insured	11/09 at 10
2,250	California State, General Obligation Bonds, Series 2004, 5.000%, 4/01/31 (Pre-refunded 4/01/14) - AMBAC Insured	4/14 at 10
2,500	California, Various Purpose General Obligation Bonds, Series 1999, 5.500%, 9/01/24 (Pre-refunded 9/01/09) - FSA Insured	9/09 at 10
	California, Various Purpose General Obligation Bonds, Series 2000:	
7,995	5.750%, 3/01/22 (Pre-refunded 3/01/10) - MBIA Insured	3/10 at 10
1,900	5.750%, 3/01/27 (Pre-refunded 3/01/10) - MBIA Insured	3/10 at 10
2,260	Central Unified School District, Fresno County, California, General Obligation Bonds, Series 1993, 5.625%, 3/01/18 - AMBAC Insured (ETM)	3/08 at 10
3,000	Escondido Union High School District, San Diego County, California, General Obligation Bonds, Series 1996, 5.700%, 11/01/10 - MBIA Insured (ETM)	5/08 at 10
	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Series 2001F:	
1,065	5.125%, 8/01/21 - FSA Insured (ETM)	8/09 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

1,160	5.125%, 8/01/22 - FSA Insured (ETM)	8/09 at 10
1,220	5.125%, 8/01/23 - FSA Insured (ETM)	8/09 at 10
1,500	Hacienda La Puente Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2000A, 5.250%, 8/01/25 (Pre-refunded 8/01/10) - MBIA Insured	8/10 at 10
2,000	Kern County Board of Education, California, Certificates of Participation Refunding, Series 1998A, 5.200%, 5/01/28 (Pre-refunded 5/01/08) - MBIA Insured	5/08 at 10
3,865	Los Angeles County Metropolitan Transportation Authority, California, Proposition C Second Senior Lien Sales Tax Revenue Bonds, Series 2000A, 5.250%, 7/01/30 (Pre-refunded 7/01/10) - FGIC Insured	7/10 at 10
	Manteca Unified School District, San Joaquin County, California, General Obligation Bonds, Series 2004:	
1,000	5.250%, 8/01/21 (Pre-refunded 8/01/14) - FSA Insured	8/14 at 10
1,000	5.250%, 8/01/22 (Pre-refunded 8/01/14) - FSA Insured	8/14 at 10
2,500	Oakland, California, Insured Revenue Bonds, 1800 Harrison Foundation - Kaiser Permanente, Series 1999A, 6.000%, 1/01/29 (Pre-refunded 1/01/10) - AMBAC Insured	1/10 at 10
1,610	Poway Redevelopment Agency, California, Tax Allocation Refunding Bonds, Paguay Redevelopment Project, Series 2000, 5.750%, 6/15/33 (Pre-refunded 12/15/10) - MBIA Insured	12/10 at 10
3,500	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 2002II, 5.125%, 7/01/26 (Pre-refunded 7/01/12) - FSA Insured	7/12 at 10
4,320	Riverside County, California, GNMA Mortgage-Backed Securities Program Single Family Mortgage Revenue Bonds, Series 1987B, 8.625%, 5/01/16 (Alternative Minimum Tax) (ETM)	No Opt.
1,690	Sacramento City Financing Authority, California, Capital Improvement Revenue Bonds, Solid Waste and Redevelopment Projects, Series 1999, 5.800%, 12/01/19 (Pre-refunded 12/01/09) - AMBAC Insured	12/09 at 10
1,000	Sacramento County Sanitation District Financing Authority, California, Revenue Bonds, Series 2000A, 5.500%, 12/01/20 (Pre-refunded 12/01/10) - AMBAC Insured	12/10 at 10
905	University of California, Hospital Revenue Bonds, UCLA Medical Center, Series 2004A, 5.500%, 5/15/18 (Pre-refunded 5/15/12) - AMBAC Insured	5/12 at 10
55,365	Total U.S. Guaranteed	

30

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
---------------------------	-----------------	-----------------------

UTILITIES - 8.1% (5.0% OF TOTAL INVESTMENTS)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

\$	3,740	California Pollution Control Financing Authority, Revenue Refunding Bonds, Southern California Edison Company, Series 1999B, 5.450%, 9/01/29 - MBIA Insured	9/09 at 10
	670	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - XLCA Insured	9/15 at 10
	100	Sacramento City Financing Authority, California, Capital Improvement Revenue Bonds, Solid Waste and Redevelopment Projects, Series 1999, 5.800%, 12/01/19 - AMBAC Insured	12/09 at 10
	1,950	Salinas Valley Solid Waste Authority, California, Revenue Bonds, Series 2002, 5.250%, 8/01/27 - AMBAC Insured (Alternative Minimum Tax)	8/12 at 10
		Santa Clara, California, Subordinate Electric Revenue Bonds, Series 2003A:	
	2,800	5.000%, 7/01/24 - MBIA Insured	7/13 at 10
	5,000	5.000%, 7/01/28 - MBIA Insured	7/13 at 10

14,260 Total Utilities

WATER AND SEWER - 21.2% (13.1% OF TOTAL INVESTMENTS)

	2,975	Chino Basin Regional Finance Authority, California, Sewerage System Revenue Bonds, Inland Empire Utilities Agency, Series 1994, 6.000%, 8/01/16 - AMBAC Insured	8/08 at 10
	2,000	El Dorado Irrigation District, California, Water and Sewer Certificates of Participation, Series 2004A, 5.000%, 3/01/21 - FGIC Insured	3/14 at 10
	750	Fortuna Public Finance Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 10/01/36 - FSA Insured	10/16 at 10
	460	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - MBIA Insured	4/16 at 10
	2,700	Los Angeles County Sanitation Districts Financing Authority, California, Senior Revenue Bonds, Capital Projects, Series 2003A, 5.000%, 10/01/21 - FSA Insured	10/13 at 10
	2,000	Los Angeles, California, Wastewater System Revenue Bonds, Series 2005A, 4.500%, 6/01/29 - MBIA Insured	6/15 at 10
	430	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 - MBIA Insured	6/16 at 10
	12,000	Orange County Sanitation District, California, Certificates of Participation, Series 2003, 5.000%, 2/01/33 - FGIC Insured	8/13 at 10
	1,520	San Buenaventura, California, Water Revenue Certificates of Participation, Series 2004, 5.000%, 10/01/25 - AMBAC Insured	10/14 at 10
	3,675	San Dieguito Water District, California, Water Revenue Bonds, Series 2004, 5.000%, 10/01/23 - FGIC Insured	10/14 at 10
		Santa Clara Valley Water District, California, Certificates	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	of Participation, Series 2004A:	
1,400	5.000%, 2/01/19 - FGIC Insured	2/14 at 10
445	5.000%, 2/01/20 - FGIC Insured	2/14 at 10
465	5.000%, 2/01/21 - FGIC Insured	2/14 at 10
2,500	West Basin Municipal Water District, California, Revenue Certificates of Participation, Series 2003A, 5.000%, 8/01/30 - MBIA Insured	8/13 at 10

31

NCL

Nuveen Insured California Premium Income Municipal Fund 2, Inc. (continued)
Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	WATER AND SEWER (continued)	
	Yorba Linda Water District, California, Certificates of Participation, Highland Reservoir Renovation, Series 2003:	
\$ 2,010	5.000%, 10/01/28 - FGIC Insured	10/13 at 10
2,530	5.000%, 10/01/33 - FGIC Insured	10/13 at 10
37,860	Total Water and Sewer	

\$ 290,985	Total Investments (cost \$282,997,557) - 161.8%	
=====		
	Floating Rate Obligations - (9.8%)	
	Other Assets Less Liabilities - 3.5%	
	Preferred Shares, at Liquidation Value - (55.5)% (6)	
	Net Assets Applicable to Common Shares - 100%	
=====		

As of February 29, 2008, all of the bonds in the Portfolio of Investments, are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance, or are backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, any of which ensure the timely payment of principal and interest.

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.
- (3) Ratings: Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's

or Baa by Moody's are considered to be below investment grade.

The Portfolio of Investments reflects the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. Subsequent to February 29, 2008, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. As of February 29, 2008, one or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers.

- (4) The issuer has received a formal adverse determination from the Internal Revenue Service (the "IRS") regarding the tax-exempt status of the bonds' coupon payments. The Fund will continue to treat coupon payments as tax-exempt income until such time it is formally determined that the interest on the bonds should be treated as taxable.
- (5) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.
- (6) Preferred Shares, at Liquidation Value as a percentage of total investments is (34.3)%.
- (ETM) Escrowed to maturity.
- (IF) Inverse floating rate investment.
- (UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

See accompanying notes to financial statements.

NCU
 Nuveen California Premium Income Municipal Fund
 Portfolio of INVESTMENTS

February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	CONSUMER STAPLES - 7.4% (4.8% OF TOTAL INVESTMENTS)	
\$ 1,500	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Alameda County Tobacco Asset Securitization Corporation, Series 2002, 5.750%, 6/01/29	6/12 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

290	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Sonoma County Tobacco Securitization Corporation, Series 2005, 4.250%, 6/01/21	6/15 at 10
3,320	California Statewide Financing Authority, Tobacco Settlement Asset-Backed Bonds, Pooled Tobacco Securitization Program, Series 2002A, 5.625%, 5/01/29	5/12 at 10
1,350	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 10

6,460	Total Consumer Staples	
-------	------------------------	--

EDUCATION AND CIVIC ORGANIZATIONS - 2.3% (1.5% OF TOTAL INVESTMENTS)

70	California Educational Facilities Authority, Revenue Bonds, University of Redlands, Series 2005A, 5.000%, 10/01/35	10/15 at 10
45	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006: 5.000%, 11/01/21	11/15 at 10
60	5.000%, 11/01/25	11/15 at 10
1,500	University of California, Revenue Bonds, Multi-Purpose Projects, Series 2003A, 5.125%, 5/15/17 - AMBAC Insured	5/13 at 10

1,675	Total Education and Civic Organizations	
-------	---	--

ENERGY - 0.5% (0.4% OF TOTAL INVESTMENTS)

500	Virgin Islands Public Finance Authority, Revenue Bonds, Refinery Project Hovensa LLC, Series 2007, 4.700%, 7/01/22 (Alternative Minimum Tax)	1/15 at 10
-----	--	------------

HEALTH CARE - 23.5% (15.2% OF TOTAL INVESTMENTS)

4,705	California Health Facilities Financing Authority, Hospital Revenue Bonds, Downey Community Hospital, Series 1993, 5.750%, 5/15/15	5/08 at 10
620	California Health Facilities Financing Authority, Revenue Bonds, Cedars-Sinai Medical Center, Series 2005, 5.000%, 11/15/34	11/15 at 10
155	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 4/01/37	4/16 at 10
3,525	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.250%, 11/15/46 (UB)	11/16 at 10
1,500	California Infrastructure Economic Development Bank, Revenue Bonds, Kaiser Hospital Assistance LLC, Series 2001A, 5.550%, 8/01/31	8/11 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

685	California Municipal Financing Authority, Certificates of Participation, Community Hospitals of Central California, Series 2007, 5.250%, 2/01/46	2/17 at 10
1,000	California Statewide Community Development Authority, Insured Health Facility Revenue Bonds, Henry Mayo Newhall Memorial Hospital, Series 2007A, 5.000%, 10/01/37	10/17 at 10
2,180	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 3/01/41	3/16 at 10

33

NCU

Nuveen California Premium Income Municipal Fund (continued)
Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	HEALTH CARE (continued)	
\$ 730	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2001C, 5.250%, 8/01/31	8/16 at 10
1,000	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2007A, 4.750%, 4/01/33	4/17 at 10
2,100	California Statewide Community Development Authority, Revenue Bonds, Sherman Oaks Health System, Series 1998A, 5.000%, 8/01/22 - AMBAC Insured	No Opt.
1,000	The Regents of the University of California, Medical Center Pooled Revenue Bonds, Series 2007A, 4.500%, 5/15/37 - MBIA Insured	5/15 at 10

19,200	Total Health Care	

	HOUSING/MULTIFAMILY - 2.1% (1.4% OF TOTAL INVESTMENTS)	
1,600	California Statewide Community Development Authority, Revenue Refunding Bonds, Irvine Apartment Communities Development, Series 1998A, 5.250%, 5/15/25 (Mandatory put 5/15/13)	7/08 at 10

	HOUSING/SINGLE FAMILY - 0.5% (0.2% OF TOTAL INVESTMENTS)	
185	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 10
175	California Housing Finance Agency, Single Family Mortgage Bonds II, Series 1997A-1, 6.000%, 8/01/20 - MBIA Insured	8/08 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

(Alternative Minimum Tax)

30	California Rural Home Mortgage Finance Authority, Mortgage-Backed Securities Program Single Family Mortgage Revenue Bonds, Series 1996C, 7.500%, 8/01/27 (Alternative Minimum Tax)	No Opt.
----	---	---------

390	Total Housing/Single Family	
-----	-----------------------------	--

INDUSTRIALS - 0.6% (0.4% OF TOTAL INVESTMENTS)

500	California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002A, 5.000%, 1/01/22 (Alternative Minimum Tax)	1/16 at 10
-----	--	------------

TAX OBLIGATION/GENERAL - 26.4% (17.1% OF TOTAL INVESTMENTS)

California, General Obligation Bonds, Series 2003:		
1,000	5.250%, 11/01/19 - RAAI Insured	11/13 at 10
1,500	5.000%, 2/01/31 - MBIA Insured	2/13 at 10

California, General Obligation Bonds, Series 2004:		
1,750	5.000%, 4/01/22	4/14 at 10
1,400	5.200%, 4/01/26	4/14 at 10

4,000	California, General Obligation Veterans Welfare Bonds, Series 1999BR, 5.300%, 12/01/29 (Alternative Minimum Tax)	6/08 at 10
-------	---	------------

6,000	Hartnell Community College District, California, General Obligation Bonds, Series 2006B, 5.000%, 6/01/29 - FSA Insured	6/16 at 10
-------	---	------------

3,000	Pomona Unified School District, Los Angeles County, California, General Obligation Refunding Bonds, Series 1997A, 6.150%, 8/01/15 - MBIA Insured	8/11 at 10
-------	--	------------

15	Riverside Community College District, California, General Obligation Bonds, Series 2004A, 5.250%, 8/01/22 - MBIA Insured	8/14 at 10
----	--	------------

135	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 10
-----	---	------------

1,355	San Jose-Evergreen Community College District, Santa Clara County, California, General Obligation Bonds, Series 2005A, 5.000%, 9/01/25 - MBIA Insured	9/15 at 10
-------	---	------------

20,155	Total Tax Obligation/General	
--------	------------------------------	--

TAX OBLIGATION/LIMITED - 46.6% (30.1% OF TOTAL INVESTMENTS)

1,000	Bell Community Redevelopment Agency, California, Tax Allocation Bonds, Bell Project Area, Series 2003, 5.625%, 10/01/33 - RAAI Insured	10/13 at 10
-------	--	-------------

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

TAX OBLIGATION/LIMITED (continued)		
	California Infrastructure Economic Development Bank, Revenue Bonds, North County Center for Self-Sufficiency Corporation, Series 2004:	
\$ 1,695	5.000%, 12/01/22 - AMBAC Insured	12/13 at 10
1,865	5.000%, 12/01/24 - AMBAC Insured	12/13 at 10
5,920	California State Public Works Board, Lease Revenue Bonds, Department of Veterans Affairs, Southern California Veterans Home - Chula Vista Facility, Series 1999A, 5.600%, 11/01/19 - AMBAC Insured	11/09 at 10
905	California, Economic Recovery Revenue Bonds, Series 2004A, 5.000%, 7/01/15	7/14 at 10
165	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 10
500	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 - AMBAC Insured	9/16 at 10
1,450	Golden State Tobacco Securitization Corporation, California, Enhanced Asset Backed Settlement Revenue Bonds, Trust Series 1500, 7.910%, 6/01/45 - AMBAC Insured (IF)	6/15 at 10
	Irvine, California, Unified School District, Community Facilities District Special Tax Bonds, Series 2006A:	
80	5.000%, 9/01/26	9/16 at 10
185	5.125%, 9/01/36	9/16 at 10
2,500	Kern County Board of Education, California, Certificates of Participation, Series 2006A, 5.000%, 6/01/31 - MBIA Insured	6/16 at 10
3,500	Livermore Redevelopment Agency, California, Tax Allocation Revenue Bonds, Livermore Redevelopment Project Area, Series 2001A, 5.000%, 8/01/26 - MBIA Insured	8/11 at 10
310	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 10
2,000	Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Police Headquarters, Series 2006A, 4.750%, 1/01/31 - FGIC Insured	1/17 at 10
3,230	Murrieta Redevelopment Agency, California, Tax Allocation Bonds, Series 2005, 5.000%, 8/01/35 - MBIA Insured	8/15 at 10
1,000	Poway, California, Community Facilities District 88-1, Special Tax Refunding Bonds, Parkway Business Centre, Series 1998,	8/08 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

6.500%, 8/15/09

155	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - XLCA Insured	9/15 at 10
190	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 10
1,500	Sacramento City Financing Authority, California, Lease Revenue Refunding Bonds, Series 1993A, 5.400%, 11/01/20 - MBIA Insured	No Opt.
3,000	Sacramento City Financing Authority, California, Lease Revenue Refunding Bonds, Series 1993B, 5.400%, 11/01/20	No Opt.
	San Marcos Public Facilities Authority, California, Revenue Refunding Bonds, Series 1998:	
1,500	5.800%, 9/01/18	9/08 at 10
1,000	5.800%, 9/01/27	9/08 at 10
325	San Mateo Union High School District, San Mateo County, California, Certificates of Participation, Phase 1, Series 2007A, 5.000%, 12/15/30 - AMBAC Insured	12/17 at 10
2,050	Santa Barbara County, California, Certificates of Participation, Series 2001, 5.250%, 12/01/19 - AMBAC Insured	12/11 at 10

36,025 Total Tax Obligation/Limited

TRANSPORTATION - 3.2% (2.0% OF TOTAL INVESTMENTS)

780	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2006, 5.000%, 4/01/31	4/16 at 10
-----	--	------------

35

NCU

Nuveen California Premium Income Municipal Fund (continued)
Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
	TRANSPORTATION (continued)	
\$ 2,000	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Bonds, Series 1995A, 5.000%, 1/01/35	1/10 at 10
2,780	Total Transportation	

U.S. GUARANTEED - 22.3% (14.5% OF TOTAL INVESTMENTS) (4)

2,250	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18 (Pre-refunded 5/01/12)	5/12 at 10
-------	--	------------

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

1,200	California Health Facilities Financing Authority, Revenue Bonds, Cedars-Sinai Medical Center, Series 1999A, 6.125%, 12/01/30 (Pre-refunded 12/01/09)	12/09 at 10
3,000	California Infrastructure Economic Development Bank, First Lien Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2003A, 5.000%, 7/01/22 - FSA Insured (ETM)	No Opt.
1,000	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2003B: 5.625%, 6/01/33 (Pre-refunded 6/01/13)	6/13 at 10
1,000	5.500%, 6/01/33 (Pre-refunded 6/01/13)	6/13 at 10
3,495	Orange County Sanitation District, California, Certificates of Participation, Series 2003, 5.250%, 2/01/21 (Pre-refunded 8/01/13) - FGIC Insured	8/13 at 10
2,000	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2000, 5.750%, 7/01/21 (Pre-refunded 7/01/10) - MBIA Insured	7/10 at 10
2,000	Vista, California, Mobile Home Park Revenue Bonds, Vista Manor Mobile Home Park Project, Series 1999A, 5.750%, 3/15/29 (Pre-refunded 3/15/24)	3/24 at 10

15,945	Total U.S. Guaranteed	
--------	-----------------------	--

UTILITIES - 8.0% (5.2% OF TOTAL INVESTMENTS)

890	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.500%, 11/15/37	No Opt.
275	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2003A-2, 5.000%, 7/01/21 - MBIA Insured	7/13 at 10
295	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - XLCA Insured	9/15 at 10
4,580	Sacramento Municipal Utility District, California, Electric Revenue Refunding Bonds, Series 2002Q, 5.250%, 8/15/20 - FSA Insured	8/12 at 10

6,040	Total Utilities	
-------	-----------------	--

WATER AND SEWER - 11.1% (7.2% OF TOTAL INVESTMENTS)

1,125	Burbank, California, Wastewater System Revenue Bonds, Series 2004A, 5.000%, 6/01/23 - AMBAC Insured	6/14 at 10
5,000	Culver City, California, Wastewater Facilities Revenue Refunding Bonds, Series 1999A, 5.700%, 9/01/29 - FGIC Insured	9/09 at 10
205	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - MBIA Insured	4/16 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

370 Sacramento County Sanitation District Financing Authority,
California, Revenue Bonds, Series 2006, 5.000%, 12/01/36 -
FGIC Insured

6/16 at 10

36

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
	WATER AND SEWER (continued)	
\$ 1,795	Woodbridge Irrigation District, California, Certificates of Participation, Water Systems Project, Series 2003, 5.500%, 7/01/33	7/13 at 10
8,495	Total Water and Sewer	
\$ 119,765	Total Investments (cost \$119,762,657) - 154.5%	
	Floating Rate Obligations - (3.1%)	
	Other Assets Less Liabilities - 5.3%	
	Preferred Shares, at Liquidation Value - (56.7)% (5)	
	Net Assets Applicable to Common Shares - 100%	

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.
- (3) Ratings: Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

The Portfolio of Investments reflects the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. Subsequent to February 29, 2008, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. As of February 29, 2008, one or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers.

(4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

(5) Preferred Shares, at Liquidation Value as a percentage of total investments is (36.7)%.

N/R Not rated.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

See accompanying notes to financial statements.

37

NAC
Nuveen California Dividend Advantage Municipal Fund
Portfolio of INVESTMENTS

February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

CONSUMER STAPLES - 6.9% (4.3% OF TOTAL INVESTMENTS)		
\$ 1,250	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Sonoma County Tobacco Securitization Corporation, Series 2005, 4.250%, 6/01/21	6/15 at 10
7,500	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-1, 5.750%, 6/01/47	6/17 at 10
24,265	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 10

33,015	Total Consumer Staples	

EDUCATION AND CIVIC ORGANIZATIONS - 5.2% (3.2% OF TOTAL INVESTMENTS)		
290	California Educational Facilities Authority, Revenue Bonds, University of Redlands, Series 2005A, 5.000%, 10/01/35	10/15 at 10
10,000	California Educational Facilities Authority, Revenue Bonds, University of Southern California, Series 2007A, 4.500%, 10/01/33	10/17 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006:	
200	5.000%, 11/01/21	11/15 at 10
265	5.000%, 11/01/25	11/15 at 10
615	California Statewide Community Development Authority, Revenue Bonds, Notre Dame de Namur University, Series 2003, 6.500%, 10/01/23	10/13 at 10
3,000	Long Beach Bond Financing Authority, California, Lease Revenue Refunding Bonds, Long Beach Aquarium of the South Pacific, Series 2001, 5.500%, 11/01/17 - AMBAC Insured	11/11 at 10
3,500	University of California, Revenue Bonds, Multi-Purpose Projects, Series 2003A, 5.125%, 5/15/17 - AMBAC Insured	5/13 at 10

17,870	Total Education and Civic Organizations	

HEALTH CARE - 18.6% (11.4% OF TOTAL INVESTMENTS)

2,160	California Health Facilities Financing Authority, Health Facility Revenue Bonds, Adventist Health System/West, Series 2003A, 5.000%, 3/01/15	3/13 at 10
	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006:	
660	5.000%, 4/01/37	4/16 at 10
10,140	5.250%, 3/01/45	3/16 at 10
14,895	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.250%, 11/15/46 (UB)	11/16 at 10
10,000	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.000%, 11/15/42 - MBIA Insured	11/16 at 10
1,535	California Statewide Communities Development Authority, Revenue Bonds, ValleyCare Health System, Series 2007A, 5.125%, 7/15/31	7/17 at 10
9,280	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 3/01/41	3/16 at 10
3,095	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2001C, 5.250%, 8/01/31	8/16 at 10

38

PRINCIPAL		OPTIONAL
AMOUNT (000)	DESCRIPTION (1)	PROVISION

HEALTH CARE (continued)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

\$	10,500	Duarte, California, Certificates of Participation, City of Hope National Medical Center, Series 1999A, 5.250%, 4/01/31	4/09 at 10
	3,690	Rancho Mirage Joint Powers Financing Authority, California, Revenue Bonds, Eisenhower Medical Center, Series 2007A, 5.000%, 7/01/38	7/17 at 10

	65,955	Total Health Care	
--	--------	-------------------	--

HOUSING/MULTIFAMILY - 6.3% (3.9% OF TOTAL INVESTMENTS)

	7,475	California Housing Finance Agency, Multifamily Housing Revenue Bonds III, Series 2003A Select Auction Rate Securities, 6.000%, 2/01/38 - MBIA Insured (Alternative Minimum Tax) (4)	No Opt.
	5,095	California Statewide Community Development Authority, GNMA Collateralized Housing Revenue Refunding Bonds, Crowne Pointe Project, Series 2002F, 6.750%, 8/20/37	8/12 at 10
	5,000	Contra Costa County, California, Multifamily Housing Revenue Bonds, Delta View Apartments Project, Series 1999C, 6.750%, 12/01/30 (Alternative Minimum Tax)	6/09 at 10
	320	Independent Cities Lease Finance Authority, California, Mobile Home Park Revenue Bonds, San Juan Mobile Estates, Series 2006B, 5.850%, 5/15/41	5/16 at 10
	1,725	Rohnert Park Finance Authority, California, Senior Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003A, 5.750%, 9/15/38	9/13 at 10
	1,120	Rohnert Park Finance Authority, California, Subordinate Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003B, 6.625%, 9/15/38	9/13 at 10

	20,735	Total Housing/Multifamily	
--	--------	---------------------------	--

HOUSING/SINGLE FAMILY - 0.2% (0.2% OF TOTAL INVESTMENTS)

	775	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 10
--	-----	--	------------

INDUSTRIALS - 1.8% (1.1% OF TOTAL INVESTMENTS)

	2,000	California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002A, 5.000%, 1/01/22 (Alternative Minimum Tax)	1/16 at 10
	5,120	California Statewide Communities Development Authority, Revenue Bonds, EnerTech Regional Biosolids Project, Series 2007A, 5.500%, 12/01/33 (Alternative Minimum Tax)	No Opt.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

7,120	Total Industrials	

	LONG-TERM CARE - 2.5% (1.5% OF TOTAL INVESTMENTS)	
8,500	Riverside County Public Financing Authority, California, Certificates of Participation, Air Force Village West, Series 1999, 5.800%, 5/15/29	5/09 at 10

	TAX OBLIGATION/GENERAL - 14.1% (8.7% OF TOTAL INVESTMENTS)	
2,000	California, General Obligation Bonds, Series 2003, 5.250%, 11/01/19 - RAAI Insured	11/13 at 10
5,000	California, General Obligation Bonds, Series 2004: 5.125%, 4/01/23	4/14 at 10
4,150	5.125%, 4/01/25	4/14 at 10
4,435	California, General Obligation Refunding Bonds, Series 2002, 6.000%, 4/01/16 - AMBAC Insured	No Opt.
5,000	Coast Community College District, Orange County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/24 - FSA Insured	8/16 at 10
5,000	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Series 2002A, 6.000%, 8/01/26 - MBIA Insured (5)	No Opt.
5,150	Hacienda La Puente Unified School District Facilities Financing Authority, California, General Obligation Revenue Bonds, Series 2007, 5.000%, 8/01/26 - FSA Insured	No Opt.
5,210	Oak Valley Hospital District, Stanislaus County, California, General Obligation Bonds, Series 2005, 5.000%, 7/01/35 - FGIC Insured	7/14 at 10
575	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 10

NAC
 Nuveen California Dividend Advantage Municipal Fund (continued)
 Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
	TAX OBLIGATION/GENERAL (continued)	
\$ 5,000	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Series 2003E, 5.250%, 7/01/20 - FSA Insured	7/13 at 10
3,605	West Contra Costa Unified School District, Contra Costa County, California, General Obligation Bonds, Series 2003B, 5.000%, 8/01/21 - FSA Insured	8/11 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

45,125	Total Tax Obligation/General	

TAX OBLIGATION/LIMITED - 36.7% (22.7% OF TOTAL INVESTMENTS)		
Beaumont Financing Authority, California, Local Agency Revenue Bonds, Series 2004D:		
1,000	5.500%, 9/01/24	9/14 at 10
615	5.800%, 9/01/35	9/14 at 10
1,990	Borrego Water District, California, Community Facilities District 2007-1 Montesorro, Special Tax Bonds, Series 2007, 5.750%, 8/01/25	8/17 at 10
1,990	Brentwood Infrastructure Financing Authority, California, Infrastructure Revenue Refunding Bonds, Series 2002A, 5.125%, 9/02/24 - FSA Insured	9/12 at 10
Brentwood Infrastructure Financing Authority, Contra Costa County, California, Capital Improvement Revenue Bonds, Series 2001:		
1,110	5.375%, 11/01/18 - FSA Insured	11/11 at 10
1,165	5.375%, 11/01/19 - FSA Insured	11/11 at 10
2,000	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District 90-2 - Talega, Series 2003, 6.000%, 9/01/33	9/13 at 10
710	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 10
1,225	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 - AMBAC Insured	9/16 at 10
3,490	Fontana, California, Senior Special Tax Refunding Bonds, Heritage Village Community Facilities District 2, Series 1998A, 5.250%, 9/01/17 - MBIA Insured	9/08 at 10
1,125	Fontana, California, Special Tax Bonds, Sierra Community Facilities District 22, Series 2004, 6.000%, 9/01/34	9/14 at 10
3,980	Garden Grove, California, Certificates of Participation, Financing Project, Series 2002A, 5.500%, 3/01/22 - AMBAC Insured	3/12 at 10
Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A:		
37,695	5.000%, 6/01/35 - FGIC Insured (UB)	6/15 at 10
4,395	5.000%, 6/01/38 - FGIC Insured (UB)	6/15 at 10
2,850	Hesperia Community Redevelopment Agency, California, Tax Allocation Bonds, Series 2005A, 5.000%, 9/01/35 - XLCA Insured	9/15 at 10
4,500	Inglewood Redevelopment Agency, California, Tax Allocation Refunding Bonds, Merged Area Redevelopment Project, Series 1998A, 5.250%, 5/01/23 - AMBAC Insured	No Opt.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	Irvine, California, Unified School District, Community Facilities District Special Tax Bonds, Series 2006A:	
345	5.000%, 9/01/26	9/16 at 10
795	5.125%, 9/01/36	9/16 at 10
675	Lammersville School District, San Joaquin County, California, Community Facilities District 2002, Mountain House Special Tax Bonds, Series 2006, 5.125%, 9/01/35	9/16 at 10
2,000	Lee Lake Water District, Riverside County, California, Special Tax Bonds, Community Facilities District 1 of Sycamore Creek, Series 2003, 6.500%, 9/01/24	9/13 at 10
1,000	Lindsay Redevelopment Agency, California, Project 1 Tax Allocation Bonds, Series 2007, 5.000%, 8/01/37 - RAAI Insured	8/17 at 10
1,290	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 10
5,000	Los Angeles County Metropolitan Transportation Authority, California, Proposition C Second Senior Lien Sales Tax Revenue Refunding Bonds, Series 1998A, 5.000%, 7/01/23 - AMBAC Insured	7/08 at 10
1,530	Moreno Valley Unified School District, Riverside County, California, Certificates of Participation, Series 2005, 5.000%, 3/01/24 - FSA Insured	3/14 at 10

40

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	TAX OBLIGATION/LIMITED (continued)	
\$ 3,500	Murrieta Redevelopment Agency, California, Tax Allocation Bonds, Series 2007A, 5.000%, 8/01/37 - MBIA Insured	8/17 at 10
9,200	Norco Redevelopment Agency, California, Tax Allocation Refunding Bonds, Project Area 1, Series 2001, 5.000%, 3/01/19 - MBIA Insured	3/11 at 10
	North Natomas Community Facilities District 4, Sacramento, California, Special Tax Bonds, Series 2006D:	
545	5.000%, 9/01/26	9/14 at 10
250	5.000%, 9/01/33	9/14 at 10
3,290	Oakland Redevelopment Agency, California, Subordinate Lien Tax Allocation Bonds, Central District Redevelopment Project, Series 2003, 5.500%, 9/01/16 - FGIC Insured	3/13 at 10
5,600	Palm Springs Financing Authority, California, Lease Revenue Refunding Bonds, Convention Center Project, Series 2001A, 5.000%, 11/01/22 - MBIA Insured	11/11 at 10
1,000	Palmdale Community Redevelopment Agency, California, Tax	12/14 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	Allocation Bonds, Merged Redevelopment Project Areas, Series 2004, 5.000%, 12/01/24 - AMBAC Insured	
1,570	Poway Redevelopment Agency, California, Tax Allocation Refunding Bonds, Paguay Redevelopment Project, Series 2000, 5.750%, 6/15/33 - MBIA Insured	12/10 at 10
620	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - XLCA Insured	9/15 at 10
1,860	Riverside Redevelopment Agency, California, Tax Allocation Refunding Bonds, Merged Project Areas, Series 2003, 5.250%, 8/01/22 - MBIA Insured	8/13 at 10
770	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 10
2,500	Sacramento City Financing Authority, California, Lease Revenue Refunding Bonds, Series 1993A, 5.400%, 11/01/20 - AMBAC Insured	No Opt.
1,150	Sacramento, California, Special Tax Bonds, North Natomas Community Facilities District 4, Series 2003C, 6.000%, 9/01/33	9/14 at 10
2,695	San Jose Financing Authority, California, Lease Revenue Refunding Bonds, Civic Center Project, Series 2002B, 5.250%, 6/01/19 - AMBAC Insured	6/12 at 10
1,000	Washington Unified School District, Yolo County, California, Certificates of Participation, Series 2007, 5.125%, 8/01/37 - AMBAC Insured	8/17 at 10
2,810	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2003B, 7.000%, 9/01/38	9/13 at 10
2,000	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2004B, 6.000%, 9/01/39	9/13 at 10
1,350	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 2001-1, Series 2004A, 6.125%, 9/01/39	9/13 at 10

124,185	Total Tax Obligation/Limited	

TRANSPORTATION - 19.6% (12.1% OF TOTAL INVESTMENTS)

1,430	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2006, 5.000%, 4/01/31	4/16 at 10
8,150	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 5.750%, 1/15/40	1/10 at 10
8,515	Los Angeles Harbors Department, California, Revenue Refunding Bonds, Series 2001B, 5.500%, 8/01/18 - AMBAC Insured (Alternative Minimum Tax)	8/11 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

120	Palm Springs Financing Authority, California, Palm Springs International Airport Revenue Bonds, Series 2006, 5.450%, 7/01/20 (Alternative Minimum Tax)	7/14 at 10
23,000	Port of Oakland, California, Revenue Bonds, Series 2000K, 5.750%, 11/01/29 - FGIC Insured (Alternative Minimum Tax)	5/10 at 10
23,275	San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2000, Issue 24A, 5.750%, 5/01/30 - FSA Insured (Alternative Minimum Tax)	5/10 at 10

64,490	Total Transportation	

41

NAC
 Nuveen California Dividend Advantage Municipal Fund (continued)
 Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	U.S. GUARANTEED - 32.4% (20.0% OF TOTAL INVESTMENTS) (6)	
\$ 9,750	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18 (Pre-refunded 5/01/12)	5/12 at 10
10,500	California Health Facilities Financing Authority, Revenue Bonds, Cedars-Sinai Medical Center, Series 1999A, 6.125%, 12/01/30 (Pre-refunded 12/01/09)	12/09 at 10
8,400	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 1998B, 5.250%, 10/01/14 (ETM)	10/08 at 10
740	California Statewide Community Development Authority, Revenue Bonds, Thomas Jefferson School of Law, Series 2005A, 4.875%, 10/01/31 (Pre-refunded 10/01/15)	10/15 at 10
8,000	Central California Joint Powers Health Finance Authority, Certificates of Participation, Community Hospitals of Central California Obligated Group, Series 2000, 6.000%, 2/01/30 (Pre-refunded 2/01/10)	2/10 at 10
5,200	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2003A-1, 6.250%, 6/01/33 (Pre-refunded 6/01/13)	6/13 at 10
1,940	Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2003A, 6.500%, 9/01/25 (Pre-refunded 9/01/13)	9/13 at 10
1,335	Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2004, 6.000%, 9/01/34 (Pre-refunded 9/01/13)	9/13 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

10,845	Los Angeles Unified School District, California, General Obligation Bonds, Series 2002E, 5.000%, 7/01/19 (Pre-refunded 7/01/12) - MBIA Insured	7/12 at 10
	Northern California Tobacco Securitization Authority, Tobacco Settlement Asset-Backed Bonds, Series 2001A:	
2,500	5.250%, 6/01/31 (Pre-refunded 6/01/11)	6/11 at 10
4,500	5.375%, 6/01/41 (Pre-refunded 6/01/11)	6/11 at 10
5,840	Orange County Water District, California, Revenue Certificates of Participation, Series 1999A, 5.375%, 8/15/29 (ETM)	8/09 at 10
6,530	Poway Redevelopment Agency, California, Tax Allocation Refunding Bonds, Paguay Redevelopment Project, Series 2000, 5.750%, 6/15/33 (Pre-refunded 12/15/10) - MBIA Insured	12/10 at 10
4,000	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2000, 5.750%, 7/01/16 (Pre-refunded 7/01/10) - MBIA Insured	7/10 at 10
1,590	San Marcos Public Facilities Authority, California, Special Tax Bonds, Community Facilities District 99-1, Series 2003B, 6.000%, 9/01/24 (Pre-refunded 9/01/09)	9/09 at 10
2,860	Tobacco Securitization Authority of Southern California, Tobacco Settlement Asset-Backed Bonds, San Diego County Tobacco Asset Securitization Corporation, Senior Series 2001A, 5.250%, 6/01/27 (Pre-refunded 6/01/12)	6/12 at 10
700	University of California, Certificates of Participation, San Diego and Sacramento Campus Projects, Series 2002A, 5.250%, 1/01/22 (Pre-refunded 1/01/10)	1/10 at 10
11,305	University of California, Revenue Bonds, Multi-Purpose Projects, Series 2002O, 5.000%, 9/01/21 (Pre-refunded 9/01/10) - FGIC Insured	9/10 at 10
2,500	Whittier, California, Health Facility Revenue Bonds, Presbyterian Intercommunity Hospital, Series 2002, 5.600%, 6/01/22 (Pre-refunded 6/01/12)	6/12 at 10

99,035	Total U.S. Guaranteed	

UTILITIES - 9.0% (5.5% OF TOTAL INVESTMENTS)

3,630	Imperial Irrigation District, California, Certificates of Participation, Electric System Revenue Bonds, Series 2003, 5.250%, 11/01/23 - FSA Insured	11/13 at 10
3,775	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.000%, 11/15/35	No Opt.
7,000	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2001A-1, 5.250%, 7/01/21 - FSA Insured	7/11 at 10
8,370	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2001A-2, 5.375%, 7/01/19 - MBIA Insured	7/11 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

5,500	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2005A-1, 5.000%, 7/01/31 - FSA Insured	7/15 at 10
-------	--	------------

42

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
<hr/>		
	UTILITIES (continued)	
\$ 1,270	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - XLCA Insured	9/15 at 10
<hr/>		
29,545	Total Utilities	
<hr/>		
	WATER AND SEWER - 8.8% (5.4% OF TOTAL INVESTMENTS)	
9,165	California Department of Water Resources, Water System Revenue Bonds, Central Valley Project, Series 2001W, 5.250%, 12/01/22 - FSA Insured	12/11 at 10
875	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - MBIA Insured	4/16 at 10
2,500	Indio Water Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 4/01/31 - AMBAC Insured	4/16 at 10
835	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 - MBIA Insured	6/16 at 10
8,250	Pico Rivera Water Authority, California, Revenue Bonds, Series 2001A, 6.250%, 12/01/32	12/11 at 10
2,250	Sacramento County Sanitation District Financing Authority, California, Revenue Bonds, Series 2006, 5.000%, 12/01/31 - FGIC Insured	6/16 at 10
5,115	San Francisco City and County Public Utilities Commission, California, Water Revenue Bonds, Series 2002A, 5.000%, 11/01/18 - MBIA Insured	11/12 at 10
<hr/>		
28,990	Total Water and Sewer	
<hr/>		
\$ 545,340	Total Investments (cost \$541,177,540) - 162.1%	
<hr/>		
	Floating Rate Obligations - (12.7%)	
	Other Assets Less Liabilities - 4.4%	
	Preferred Shares, at Liquidation Value - (53.8)% (7)	
	Net Assets Applicable to Common Shares - 100%	
<hr/>		

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.
- (3) Ratings: Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

The Portfolio of Investments reflects the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. Subsequent to February 29, 2008, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. As of February 29, 2008, one or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers.

- (4) Investment valued at fair value using methods determined in good faith by, or at the discretion of, the Board of Directors/Trustees.
- (5) The issuer has received a formal adverse determination from the Internal Revenue Service (the "IRS") regarding the tax-exempt status of the bonds' coupon payments. The Fund will continue to treat coupon payments as tax-exempt income until such time it is formally determined that the interest on the bonds should be treated as taxable.
- (6) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.
- (7) Preferred Shares, at Liquidation Value as a percentage of total investments is (33.2)%.

N/R Not rated.

(ETM) Escrowed to maturity.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

See accompanying notes to financial statements.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

NVX

Nuveen California Dividend Advantage Municipal Fund 2
Portfolio of INVESTMENTS

February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	CONSUMER STAPLES - 8.0% (5.3% OF TOTAL INVESTMENTS)	
\$ 775	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Sonoma County Tobacco Securitization Corporation, Series 2005, 4.250%, 6/01/21	6/15 at 10
4,625	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Stanislaus County Tobacco Funding Corporation, Series 2002A, 5.500%, 6/01/33	6/12 at 10
4,000	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-1, 5.750%, 6/01/47	6/17 at 10
13,480	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 10

22,880	Total Consumer Staples	

	EDUCATION AND CIVIC ORGANIZATIONS - 12.7% (8.2% OF TOTAL INVESTMENTS)	
2,000	California Educational Facilities Authority, Revenue Bonds, Stanford University, Series 2001Q, 5.250%, 12/01/32	6/11 at 10
180	California Educational Facilities Authority, Revenue Bonds, University of Redlands, Series 2005A, 5.000%, 10/01/35	10/15 at 10
	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006:	
125	5.000%, 11/01/21	11/15 at 10
165	5.000%, 11/01/25	11/15 at 10
6,375	California Educational Facilities Authority, Student Loan Revenue Bonds, Cal Loan Program, Series 2001A, 5.400%, 3/01/21 - MBIA Insured (Alternative Minimum Tax)	3/08 at 10
10,570	California State Public Works Board, Lease Revenue Bonds, University of California, UCLA Replacement Hospital Project, Series 2002A, 5.375%, 10/01/18 - FSA Insured	10/12 at 10
620	California Statewide Community Development Authority, Revenue Bonds, Notre Dame de Namur University, Series 2003, 6.500%, 10/01/23	10/13 at 10
3,000	Long Beach Bond Financing Authority, California, Lease Revenue Refunding Bonds, Long Beach Aquarium of the South Pacific, Series 2001, 5.250%, 11/01/30 - AMBAC Insured	11/11 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

3,000	University of California, General Revenue Bonds, Series 2006J, 4.500%, 5/15/35 - FSA Insured	5/15 at 10

26,035	Total Education and Civic Organizations	

HEALTH CARE - 18.8% (12.1% OF TOTAL INVESTMENTS)		
2,000	California Health Facilities Financing Authority, Revenue Bonds, Casa Colina Inc., Series 2001, 6.000%, 4/01/22	4/12 at 10
1,640	California Health Facilities Financing Authority, Revenue Bonds, Cedars-Sinai Medical Center, Series 2005, 5.000%, 11/15/34	11/15 at 10
415	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 4/01/37	4/16 at 10
9,260	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.250%, 11/15/46 (UB)	11/16 at 10
500	California Infrastructure Economic Development Bank, Revenue Bonds, Kaiser Hospital Assistance LLC, Series 2001A, 5.550%, 8/01/31	8/11 at 10

44

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

HEALTH CARE (continued)		
\$ 960	California Statewide Communities Development Authority, Revenue Bonds, ValleyCare Health System, Series 2007A, 5.125%, 7/15/31	7/17 at 10
2,185	California Statewide Community Development Authority, Health Facility Revenue Refunding Bonds, Memorial Health Services, Series 2003A, 6.000%, 10/01/11	No Opt.
2,500	California Statewide Community Development Authority, Hospital Revenue Bonds, Monterey Peninsula Hospital, Series 2003B, 5.250%, 6/01/18 - FSA Insured	6/13 at 10
7,775	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 3/01/41	3/16 at 10
1,925	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2001C, 5.250%, 8/01/31	8/16 at 10
8,305	Rancho Mirage Joint Powers Financing Authority, California, Revenue Bonds, Eisenhower Medical Center, Series 2007A, 5.000%, 7/01/38	7/17 at 10
4,000	Santa Clara County Financing Authority, California, Auction Rate Revenue Bonds, El Camino Hospital, Series 2007B, 6.000%, 2/01/41 - AMBAC Insured	No Opt.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

41,465	Total Health Care	
HOUSING/MULTIFAMILY - 7.1% (4.6% OF TOTAL INVESTMENTS)		
3,395	California Statewide Community Development Authority, GNMA Collateralized Housing Revenue Refunding Bonds, Crowne Pointe Project, Series 2002F, 6.750%, 8/20/37	8/12 at 10
5,962	California Statewide Community Development Authority, Multifamily Housing Revenue Refunding Bonds, Claremont Village Apartments, Series 2001D, 5.500%, 6/01/31 (Mandatory put 6/01/16) (Alternative Minimum Tax)	6/11 at 10
205	Independent Cities Lease Finance Authority, California, Mobile Home Park Revenue Bonds, San Juan Mobile Estates, Series 2006B, 5.850%, 5/15/41	5/16 at 10
1,055	Rohnert Park Finance Authority, California, Senior Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003A, 5.750%, 9/15/38	9/13 at 10
700	Rohnert Park Finance Authority, California, Subordinate Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003B, 6.625%, 9/15/38	9/13 at 10
3,045	Yucaipa Redevelopment Agency, California, Mobile Home Park Revenue Bonds, Rancho del Sol and Grandview, Series 2001A, 6.750%, 5/15/36	5/11 at 10
14,362	Total Housing/Multifamily	
HOUSING/SINGLE FAMILY - 1.1% (0.7% OF TOTAL INVESTMENTS)		
480	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 10
1,925	California Housing Finance Agency, Home Mortgage Revenue Bonds, Trust 1021, 7.216%, 8/01/31 (Alternative Minimum Tax) (IF)	2/16 at 10
520	California Rural Home Mortgage Finance Authority, Mortgage-Backed Securities Program Single Family Mortgage Revenue Bonds, Series 2001A, 5.650%, 12/01/31 (Alternative Minimum Tax)	6/11 at 10
2,925	Total Housing/Single Family	
INDUSTRIALS - 1.9% (1.2% OF TOTAL INVESTMENTS)		
1,250	California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002A, 5.000%, 1/01/22 (Alternative Minimum Tax)	1/16 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

3,175	California Statewide Communities Development Authority, Revenue Bonds, EnerTech Regional Biosolids Project, Series 2007A, 5.500%, 12/01/33 (Alternative Minimum Tax)	No Opt.
-------	--	---------

4,425 Total Industrials

LONG-TERM CARE - 2.3% (1.5% OF TOTAL INVESTMENTS)

1,550	California Health Facilities Financing Authority, Cal-Mortgage Insured Revenue Bonds, Northern California Retired Officers Community Corporation - Paradise Valley Estates, Series 2002, 5.125%, 1/01/22	1/13 at 10
-------	---	------------

45

NVX

Nuveen California Dividend Advantage Municipal Fund 2 (continued)
Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
LONG-TERM CARE (continued)		
\$ 3,750	California Statewide Communities Development Authority, Revenue Bonds, Inland Regional Center Project, Series 2007, 5.375%, 12/01/37	12/17 at 10

5,300 Total Long-Term Care

TAX OBLIGATION/GENERAL - 6.8% (4.4% OF TOTAL INVESTMENTS)

3,335	California State, General Obligation Bonds, RITES 1502, 6.862%, 12/01/32 (Alternative Minimum Tax) (IF)	12/15 at 10
3,615	Colton Joint Unified School District, San Bernardino County, California, General Obligation Bonds, Series 2002A, 5.500%, 8/01/22 - FGIC Insured	8/12 at 10
	Contra Costa County Community College District, California, General Obligation Bonds, Series 2002:	
3,005	5.000%, 8/01/21 - FGIC Insured	8/12 at 10
3,300	5.000%, 8/01/22 - FGIC Insured	8/12 at 10
2,000	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2001A, 5.500%, 7/01/20 - MBIA Insured	No Opt.
355	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

15,610 Total Tax Obligation/General

TAX OBLIGATION/LIMITED - 22.8% (14.7% OF TOTAL INVESTMENTS)		
Beaumont Financing Authority, California, Local Agency Revenue Bonds, Series 2004D:		
650	5.500%, 9/01/24	9/14 at 10
385	5.800%, 9/01/35	9/14 at 10
1,240	Borrego Water District, California, Community Facilities District 2007-1 Montesorro, Special Tax Bonds, Series 2007, 5.750%, 8/01/25	8/17 at 10
4,900	California State Public Works Board, Lease Revenue Bonds, Department of Corrections, Series 2003C, 5.500%, 6/01/16	12/13 at 10
2,105	California, Economic Recovery Revenue Bonds, Series 2004A, 5.000%, 7/01/15	7/14 at 10
1,200	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District 90-2 - Talega, Series 2003, 6.000%, 9/01/33	9/13 at 10
435	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 10
4,845	Encinitas Public Financing Authority, California, Lease Revenue Bonds, Acquisition Project, Series 2001A, 5.250%, 4/01/31 - MBIA Insured	4/08 at 10
750	Fontana, California, Special Tax Bonds, Sierra Community Facilities District 22, Series 2004, 6.000%, 9/01/34	9/14 at 10
1,785	Hawthorne Community Redevelopment Agency, California, Project Area 2 Tax Allocation Bonds, Series 2006, 5.250%, 9/01/36 - XLCA Insured	9/16 at 10
1,800	Hesperia Unified School District, San Bernardino County, California, Certificates of Participation, Capital Improvement, Series 2007, 5.000%, 2/01/41 - AMBAC Insured	2/17 at 10
Irvine, California, Unified School District, Community Facilities District Special Tax Bonds, Series 2006A:		
215	5.000%, 9/01/26	9/16 at 10
495	5.125%, 9/01/36	9/16 at 10
2,000	Lake Elsinore Public Finance Authority, California, Local Agency Revenue Refunding Bonds, Series 2003H, 6.000%, 10/01/20	10/13 at 10
415	Lammersville School District, San Joaquin County, California, Community Facilities District 2002, Mountain House Special Tax Bonds, Series 2006, 5.125%, 9/01/35	9/16 at 10
1,265	Lee Lake Water District, Riverside County, California, Special Tax Bonds, Community Facilities District 1 of Sycamore Creek, Series 2003, 6.500%, 9/01/24	9/13 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

TAX OBLIGATION/LIMITED (continued)		
\$	800	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured
	8,000	Los Angeles County Metropolitan Transportation Authority, California, Proposition C Second Senior Lien Sales Tax Revenue Refunding Bonds, Series 1998A, 5.000%, 7/01/23 - AMBAC Insured
	4,000	Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Police Headquarters, Series 2006A, 5.000%, 1/01/25 - FGIC Insured
	495	North Natomas Community Facilities District 4, Sacramento, California, Special Tax Bonds, Series 2006D, 5.000%, 9/01/33
	2,000	Orange County, California, Special Tax Bonds, Community Facilities District 02-1 of Ladera Ranch, Series 2003A, 5.550%, 8/15/33
	385	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - XLCA Insured
	475	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured
	700	Sacramento, California, Special Tax Bonds, North Natomas Community Facilities District 4, Series 2003C, 6.000%, 9/01/33
	1,530	San Marcos Public Facilities Authority, California, Tax Allocation Bonds, Project Areas 2 and 3, Series 2005C, 5.000%, 8/01/35 - AMBAC Insured
	825	San Mateo Union High School District, San Mateo County, California, Certificates of Participation, Phase 1, Series 2007A, 5.000%, 12/15/30 - AMBAC Insured
	1,330	Washington Unified School District, Yolo County, California, Certificates of Participation, Series 2007, 5.125%, 8/01/37 - AMBAC Insured
	1,930	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2003B, 6.750%, 9/01/30
	500	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2004B, 6.000%, 9/01/39
	850	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 2001-1, Series 2004A, 6.125%, 9/01/39

48,305	Total Tax Obligation/Limited	

TRANSPORTATION - 10.6% (6.8% OF TOTAL INVESTMENTS)		
1,930	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2006, 5.000%, 4/01/31	4/16 at 10
7,000	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 0.000%, 1/15/27	1/14 at 10
5,585	Port of Oakland, California, Revenue Bonds, Series 2002N, 5.000%, 11/01/16 - MBIA Insured (Alternative Minimum Tax)	11/12 at 10
	San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2003, Issue 29A:	
2,430	5.250%, 5/01/18 - FGIC Insured (Alternative Minimum Tax)	5/13 at 10
2,555	5.250%, 5/01/19 - FGIC Insured (Alternative Minimum Tax)	5/13 at 10
1,000	San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2003, Issue 29B, 5.125%, 5/01/17 - FGIC Insured	5/13 at 10
2,000	San Francisco Airports Commission, California, Revenue Refunding Bonds, San Francisco International Airport, Second Series 2002, Issue 28A, 5.250%, 5/01/17 - MBIA Insured (Alternative Minimum Tax)	5/12 at 10
22,500	Total Transportation	

U.S. GUARANTEED - 46.3% (29.9% OF TOTAL INVESTMENTS) (4)		
9,000	Anitoch Area Public Facilities Financing Agency, California, Special Tax Bonds, Community Facilities District 1989-1, Series 2001, 5.250%, 8/01/25 (Pre-refunded 8/01/11) - MBIA Insured	8/11 at 10

NVX
 Nuveen California Dividend Advantage Municipal Fund 2 (continued)
 Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
U.S. GUARANTEED (4) (continued)		
\$ 6,000	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18 (Pre-refunded 5/01/12)	5/12 at 10
465	California Statewide Community Development Authority, Revenue Bonds, Thomas Jefferson School of Law, Series 2005A, 4.875%, 10/01/31 (Pre-refunded 10/01/15)	10/15 at 10
3,000	Central California Joint Powers Health Finance Authority,	2/10 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	Certificates of Participation, Community Hospitals of Central California Obligated Group, Series 2000, 6.000%, 2/01/30 (Pre-refunded 2/01/10)	
4,000	Daly City Housing Development Finance Agency, California, Mobile Home Park Revenue Bonds, Franciscan Mobile Home Park Project, Series 2002A, 5.850%, 12/15/32 (Pre-refunded 12/15/13)	12/13 at 10
4,900	East Bay Municipal Utility District, Alameda and Contra Costa Counties, California, Water System Subordinated Revenue Bonds, Series 2001, 5.000%, 6/01/26 (Pre-refunded 6/01/11) - MBIA Insured	6/11 at 10
3,200	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2003A-1, 6.250%, 6/01/33 (Pre-refunded 6/01/13)	6/13 at 10
1,170	Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2003A, 6.500%, 9/01/25 (Pre-refunded 9/01/13)	9/13 at 10
885	Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2004, 6.000%, 9/01/34 (Pre-refunded 9/01/13)	9/13 at 10
7,530	Los Angeles Unified School District, California, General Obligation Bonds, Series 2000D, 5.375%, 7/01/25 (Pre-refunded 7/01/10) - FGIC Insured	7/10 at 10
10,840	Los Angeles Unified School District, California, General Obligation Bonds, Series 2002E, 5.000%, 7/01/19 (Pre-refunded 7/01/12) - MBIA Insured	7/12 at 10
3,000	Northern California Tobacco Securitization Authority, Tobacco Settlement Asset-Backed Bonds, Series 2001A, 5.375%, 6/01/41 (Pre-refunded 6/01/11)	6/11 at 10
2,000	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 2002E, 6.000%, 8/01/26	No Opt.
6,000	Riverside County Redevelopment Agency, California, Tax Allocation Bonds, Jurupa Valley Project Area, Series 2001, 5.250%, 10/01/35 (Pre-refunded 10/01/11) - AMBAC Insured	10/11 at 10
12,090	Santa Clara Valley Transportation Authority, California, Sales Tax Revenue Bonds, Series 2001A, 5.000%, 6/01/25 (Pre-refunded 6/01/11) - MBIA Insured	6/11 at 10
4,050	Santa Rosa High School District, Sonoma County, California, General Obligation Bonds, Series 2001, 5.300%, 5/01/26 (Pre-refunded 5/01/11) - FGIC Insured	5/11 at 10
6,200	Southwestern Community College District, San Diego County, California, General Obligation Bonds, Series 2001, 5.375%, 8/01/25 (Pre-refunded 8/01/11) - AMBAC Insured	8/11 at 10
2,800	Tobacco Securitization Authority of Southern California, Tobacco Settlement Asset-Backed Bonds, San Diego County Tobacco Asset Securitization Corporation, Senior Series 2001A, 5.500%, 6/01/36 (Pre-refunded 6/01/12)	6/12 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

1,500	Whittier, California, Health Facility Revenue Bonds, Presbyterian Intercommunity Hospital, Series 2002, 5.600%, 6/01/22 (Pre-refunded 6/01/12)	6/12 at 10
-------	--	------------

88,630	Total U.S. Guaranteed	
--------	-----------------------	--

UTILITIES - 7.2% (4.6% OF TOTAL INVESTMENTS)

5,000	Anaheim Public Finance Authority, California, Second Lien Electric Distribution Revenue Bonds, Series 2004, 5.250%, 10/01/21 - MBIA Insured	10/14 at 10
-------	---	-------------

2,355	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.000%, 11/15/35	No Opt.
-------	---	---------

1,000	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2003A-2, 5.000%, 7/01/23 - MBIA Insured	7/13 at 10
-------	---	------------

500	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2005A-1, 5.000%, 7/01/31 - FSA Insured	7/15 at 10
-----	--	------------

48

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
------------------------	-----------------	--------------------

UTILITIES (continued)

\$ 790	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - XLCA Insured	9/15 at 10
--------	--	------------

2,000	Santa Clara, California, Subordinate Electric Revenue Bonds, Series 2003A, 5.250%, 7/01/20 - MBIA Insured	7/13 at 10
-------	---	------------

4,000	Southern California Public Power Authority, Natural Gas Project 1 Revenue Bonds, Series 2007A, 5.000%, 11/01/33	No Opt.
-------	---	---------

15,645	Total Utilities	
--------	-----------------	--

WATER AND SEWER - 9.3% (6.0% OF TOTAL INVESTMENTS)

1,400	Castaic Lake Water Agency, California, Certificates of Participation, Series 2006C, 5.000%, 8/01/36 - MBIA Insured	8/16 at 10
-------	--	------------

545	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - MBIA Insured	4/16 at 10
-----	--	------------

750	Sacramento County Sanitation District Financing Authority, California, Revenue Bonds, Series 2006, 5.000%, 12/01/31 - FGIC Insured	6/16 at 10
-----	--	------------

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

1,700	San Buenaventura, California, Wastewater Revenue Certificates of Participation, Series 2004, 5.000%, 3/01/24 - MBIA Insured	3/14 at 10
4,785	San Diego Public Facilities Financing Authority, California, Subordinate Lien Water Revenue Bonds, Series 2002, 5.000%, 8/01/21 - MBIA Insured	8/12 at 10
10,000	San Francisco City and County Public Utilities Commission, California, Clean Water Revenue Refunding Bonds, Series 2003A, 5.250%, 10/01/20 - MBIA Insured	4/13 at 10

19,180	Total Water and Sewer	

\$ 327,262	Total Investments (cost \$323,838,894) - 154.9%	
=====		

Floating Rate Obligations - (3.0%)

 Other Assets Less Liabilities - 1.5%

 Preferred Shares, at Liquidation Value - (53.4)% (5)

 Net Assets Applicable to Common Shares - 100%
 =====

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.
- (3) Ratings: Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

 The Portfolio of Investments reflects the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. Subsequent to February 29, 2008, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. As of February 29, 2008, one or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers.
- (4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.
- (5) Preferred Shares, at Liquidation Value as a percentage of

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

total investments is (34.5)%.

N/R Not rated.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

See accompanying notes to financial statements.

49

NZH

Nuveen California Dividend Advantage Municipal Fund 3
Portfolio of INVESTMENTS

February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

CONSUMER STAPLES - 8.1% (5.2% OF TOTAL INVESTMENTS)		
\$ 1,260	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Sonoma County Tobacco Securitization Corporation, Series 2005, 4.250%, 6/01/21	6/15 at 10
7,500	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-1, 5.750%, 6/01/47	6/17 at 10
29,660	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 10

38,420	Total Consumer Staples	

EDUCATION AND CIVIC ORGANIZATIONS - 4.1% (2.6% OF TOTAL INVESTMENTS)		
290	California Educational Facilities Authority, Revenue Bonds, University of Redlands, Series 2005A, 5.000%, 10/01/35	10/15 at 10
200	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006: 5.000%, 11/01/21	11/15 at 10
270	5.000%, 11/01/25	11/15 at 10
3,825	California Educational Facilities Authority, Student Loan Revenue Bonds, Cal Loan Program, Series 2001A, 5.400%, 3/01/21 - MBIA Insured (Alternative Minimum Tax)	3/08 at 10
3,600	California State Public Works Board, Lease Revenue Bonds, University of California, UCLA Replacement Hospital Project, Series 2002A, 5.375%, 10/01/17 - FSA Insured	10/12 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

620	California Statewide Community Development Authority, Revenue Bonds, Notre Dame de Namur University, Series 2003, 6.500%, 10/01/23	10/13 at 10
4,000	University of California, Revenue Bonds, Multi-Purpose Projects, Series 2003A, 5.000%, 5/15/23 - AMBAC Insured	5/13 at 10
12,805	Total Education and Civic Organizations	

HEALTH CARE - 26.1% (16.7% OF TOTAL INVESTMENTS)

	California Health Facilities Financing Authority, Revenue Bonds, Casa Colina Inc., Series 2001:	
4,000	6.000%, 4/01/22	4/12 at 10
2,000	6.125%, 4/01/32	4/12 at 10
2,660	California Health Facilities Financing Authority, Revenue Bonds, Cedars-Sinai Medical Center, Series 2005, 5.000%, 11/15/34	11/15 at 10
670	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 4/01/37	4/16 at 10
12,435	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health Residual Trust 2061, 9.162%, 11/15/46 (IF)	11/16 at 10
2,000	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.000%, 11/15/42 - MBIA Insured	11/16 at 10
9,000	California Infrastructure Economic Development Bank, Revenue Bonds, Kaiser Hospital Assistance LLC, Series 2001A, 5.550%, 8/01/31	8/11 at 10
1,575	California Statewide Communities Development Authority, Revenue Bonds, ValleyCare Health System, Series 2007A, 5.125%, 7/15/31	7/17 at 10
6,525	California Statewide Community Development Authority, Health Facility Revenue Refunding Bonds, Memorial Health Services, Series 2003A, 6.000%, 10/01/12	No Opt.

50

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
	HEALTH CARE (continued)	
\$ 6,450	California Statewide Community Development Authority, Hospital Revenue Bonds, Monterey Peninsula Hospital, Series 2003B, 5.250%, 6/01/18 - FSA Insured	6/13 at 10
7,665	California Statewide Community Development Authority, Insured Mortgage Hospital Revenue Bonds, Mission Community Hospital, Series 2001, 5.375%, 11/01/21	11/09 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

12,425	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 3/01/41	3/16 at 10
3,145	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2001C, 5.250%, 8/01/31	8/16 at 10
	Rancho Mirage Joint Powers Financing Authority, California, Revenue Bonds, Eisenhower Medical Center, Series 2007A:	
8,310	5.000%, 7/01/38	7/17 at 10
5,540	5.000%, 7/01/47	7/17 at 10
4,000	Santa Clara County Financing Authority, California, Auction Rate Revenue Bonds, El Camino Hospital, Series 2007B, 6.000%, 2/01/41 - AMBAC Insured	No Opt.

88,400 Total Health Care

HOUSING/MULTIFAMILY - 6.4% (4.1% OF TOTAL INVESTMENTS)

4,000	ABAG Finance Authority for Non-Profit Corporations, California, Multifamily Housing Revenue Refunding Bonds, United Dominion/2000 Post Apartments, Series 2000B, 6.250%, 8/15/30 (Mandatory put 8/15/08)	No Opt.
5,090	California Statewide Community Development Authority, GNMA Collateralized Housing Revenue Refunding Bonds, Crowne Pointe Project, Series 2002F, 6.750%, 8/20/37	8/12 at 10
325	Independent Cities Lease Finance Authority, California, Mobile Home Park Revenue Bonds, San Juan Mobile Estates, Series 2006B, 5.850%, 5/15/41	5/16 at 10
1,735	Rohnert Park Finance Authority, California, Senior Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003A, 5.750%, 9/15/38	9/13 at 10
1,125	Rohnert Park Finance Authority, California, Subordinate Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003B, 6.625%, 9/15/38	9/13 at 10
3,610	San Bernardino County Housing Authority, California, GNMA Collateralized Multifamily Mortgage Revenue Bonds, Pacific Palms Mobile Home Park, Series 2001A, 6.700%, 12/20/41	11/11 at 10
	San Jose, California, Multifamily Housing Revenue Bonds, GNMA Mortgage-Backed Securities Program, Lenzen Housing, Series 2001B:	
1,250	5.350%, 2/20/26 (Alternative Minimum Tax)	8/11 at 10
2,880	5.450%, 2/20/43 (Alternative Minimum Tax)	8/11 at 10

20,015 Total Housing/Multifamily

HOUSING/SINGLE FAMILY - 1.8% (1.1% OF TOTAL INVESTMENTS)

790	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 10
-----	--	------------

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

8,485	California Housing Finance Agency, Home Mortgage Revenue Bonds, Trust 1021, 7.216%, 8/01/31 (Alternative Minimum Tax) (IF)	2/16 at 10

9,275	Total Housing/Single Family	

INDUSTRIALS - 1.9% (1.2% OF TOTAL INVESTMENTS)		
2,000	California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002A, 5.000%, 1/01/22 (Alternative Minimum Tax)	1/16 at 10
5,205	California Statewide Communities Development Authority, Revenue Bonds, EnerTech Regional Biosolids Project, Series 2007A, 5.500%, 12/01/33 (Alternative Minimum Tax)	No Opt.

7,205	Total Industrials	

51

NZH
 Nuveen California Dividend Advantage Municipal Fund 3 (continued)
 Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

LONG-TERM CARE - 1.6% (1.1% OF TOTAL INVESTMENTS)		
\$ 2,450	California Health Facilities Financing Authority, Cal-Mortgage Insured Revenue Bonds, Northern California Retired Officers Community Corporation - Paradise Valley Estates, Series 2002, 5.125%, 1/01/22	1/13 at 10
1,500	California Health Facilities Financing Authority, Insured Senior Living Revenue Bonds, Aldersly Project, Series 2002A: 5.125%, 3/01/22	3/12 at 10
1,315	5.250%, 3/01/32	3/12 at 10

5,265	Total Long-Term Care	

TAX OBLIGATION/GENERAL - 17.0% (10.9% OF TOTAL INVESTMENTS)		
9,335	California, General Obligation Bonds, Series 2002, 6.000%, 2/01/16 - FSA Insured	No Opt.
10	California, General Obligation Veterans Welfare Bonds, Series 1997BJ, 5.500%, 12/01/18 (Alternative Minimum Tax)	6/08 at 10
14,300	California, General Obligation Veterans Welfare Bonds, Series 2001BZ, 5.350%, 12/01/21 - MBIA Insured (Alternative Minimum Tax)	6/08 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

3,000	Contra Costa County Community College District, California, General Obligation Bonds, Series 2002, 5.000%, 8/01/23 - FGIC Insured	8/12 at 10
2,500	Fullerton Joint Union High School District, Orange County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/23 - FSA Insured	8/12 at 10
2,260	Jurupa Unified School District, Riverside County, California, General Obligation Bonds, Series 2002, 5.125%, 8/01/22 - FGIC Insured	8/11 at 10
870	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2001, 5.000%, 7/01/24 - FSA Insured	7/11 at 10
575	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 10
10,810	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 2001C, 5.000%, 7/01/26 - FSA Insured	7/11 at 10
4,000	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 2002D, 5.250%, 7/01/21 - FGIC Insured	7/12 at 10
2,715	San Jose-Evergreen Community College District, Santa Clara County, California, General Obligation Bonds, Series 2005A, 5.000%, 9/01/25 - MBIA Insured	9/15 at 10
1,630	West Contra Costa Unified School District, Contra Costa County, California, General Obligation Bonds, Series 2003C, 5.000%, 8/01/22 - FGIC Insured	8/11 at 10

52,005	Total Tax Obligation/General	
--------	------------------------------	--

TAX OBLIGATION/LIMITED - 39.3% (25.1% OF TOTAL INVESTMENTS)

2,040	Borrego Water District, California, Community Facilities District 2007-1 Montesorro, Special Tax Bonds, Series 2007, 5.750%, 8/01/25	8/17 at 10
7,135	Brentwood Infrastructure Financing Authority, Contra Costa County, California, Capital Improvement Revenue Bonds, Series 2001, 5.000%, 11/01/25 - FSA Insured	11/11 at 10
8,210	California State Public Works Board, Lease Revenue Bonds, Department of Corrections, Series 2003C, 5.500%, 6/01/16	12/13 at 10
4,000	California State Public Works Board, Lease Revenue Bonds, Department of General Services, Series 2002B, 5.000%, 3/01/27 - AMBAC Insured	3/12 at 10
4,510	California State Public Works Board, Lease Revenue Bonds, Department of Mental Health, Hospital Addition, Series 2001A, 5.000%, 12/01/26 - AMBAC Insured	12/11 at 10
	Capistrano Unified School District, Orange County, California,	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	Special Tax Bonds, Community Facilities District 90-2 - Talega, Series 2003:	
1,750	5.875%, 9/01/23	9/13 at 10
550	6.000%, 9/01/33	9/13 at 10

52

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	TAX OBLIGATION/LIMITED (continued)	
\$ 715	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 10
2,160	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 - AMBAC Insured	9/16 at 10
1,125	Fontana, California, Special Tax Bonds, Sierra Community Facilities District 22, Series 2004, 6.000%, 9/01/34	9/14 at 10
1,000	Fullerton Community Facilities District 1, California, Special Tax Bonds, Amerige Heights, Series 2002, 6.100%, 9/01/22	9/12 at 10
5,000	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A, 5.000%, 6/01/45 - AMBAC Insured	6/15 at 10
	Irvine, California, Unified School District, Community Facilities District Special Tax Bonds, Series 2006A:	
350	5.000%, 9/01/26	9/16 at 10
805	5.125%, 9/01/36	9/16 at 10
3,000	Lake Elsinore Public Finance Authority, California, Local Agency Revenue Refunding Bonds, Series 2003H, 6.000%, 10/01/20	10/13 at 10
685	Lammersville School District, San Joaquin County, California, Community Facilities District 2002, Mountain House Special Tax Bonds, Series 2006, 5.125%, 9/01/35	9/16 at 10
5,250	Lammersville School District, San Joaquin County, California, Special Tax Bonds, Community Facilities District of Mountain House, Series 2002, 6.300%, 9/01/24	9/12 at 10
2,000	Lee Lake Water District, Riverside County, California, Special Tax Bonds, Community Facilities District 1 of Sycamore Creek, Series 2003, 6.500%, 9/01/24	9/13 at 10
1,000	Lindsay Redevelopment Agency, California, Project 1 Tax Allocation Bonds, Series 2007, 5.000%, 8/01/37 - RAAI Insured	8/17 at 10
5,425	Lodi, California, Certificates of Participation, Public Improvement Financing Project, Series 2002, 5.000%, 10/01/26 - MBIA Insured	10/12 at 10
1,310	Los Angeles Community Redevelopment Agency, California,	9/15 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	
1,675	Moreno Valley Unified School District, Riverside County, California, Certificates of Participation, Series 2005, 5.000%, 3/01/26 - FSA Insured	3/14 at 10
	North Natomas Community Facilities District 4, Sacramento, California, Special Tax Bonds, Series 2006D:	
545	5.000%, 9/01/26	9/14 at 10
250	5.000%, 9/01/33	9/14 at 10
3,000	Oakland Redevelopment Agency, California, Subordinate Lien Tax Allocation Bonds, Central District Redevelopment Project, Series 2003, 5.500%, 9/01/19 - FGIC Insured	3/13 at 10
4,520	Ontario Redevelopment Financing Authority, California, Lease Revenue Bonds, Capital Projects, Series 2001, 5.000%, 8/01/24 - AMBAC Insured	8/11 at 10
2,000	Orange County, California, Special Tax Bonds, Community Facilities District 02-1 of Ladera Ranch, Series 2003A, 5.550%, 8/15/33	8/11 at 10
11,165	Palm Desert Financing Authority, California, Tax Allocation Revenue Refunding Bonds, Project Area 1, Series 2002, 5.100%, 4/01/30 - MBIA Insured	4/12 at 10
3,250	Pomona Public Financing Authority, California, Revenue Refunding Bonds, Merged Redevelopment Projects, Series 2001AD, 5.000%, 2/01/27 - MBIA Insured	2/11 at 10
6,000	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N, 5.250%, 7/01/39 - FGIC Insured	No Opt.
625	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - XLCA Insured	9/15 at 10
780	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 10

53

NZH

Nuveen California Dividend Advantage Municipal Fund 3 (continued)
Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	TAX OBLIGATION/LIMITED (continued)	
\$ 1,145	Sacramento, California, Special Tax Bonds, North Natomas Community Facilities District 4, Series 2003C, 6.000%, 9/01/33	9/14 at 10
14,505	San Diego Redevelopment Agency, California, Subordinate Lien Tax Allocation Bonds, Centre City Project, Series 2001A, 5.000%, 9/01/26 - FSA Insured	9/11 at 10
2,300	San Francisco Bay Area Rapid Transit District, California, Sales	7/11 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Tax Revenue Bonds, Series 2001, 5.000%, 7/01/26 -
AMBAC Insured

1,345	San Mateo Union High School District, San Mateo County, California, Certificates of Participation, Phase 1, Series 2007A, 5.000%, 12/15/30 - AMBAC Insured	12/17 at 10
8,710	South Orange County Public Financing Authority, California, Special Tax Revenue Bonds, Ladera Ranch, Series 2005A, 5.000%, 8/15/32 - AMBAC Insured	8/15 at 10
2,810	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2003B, 7.000%, 9/01/38	9/13 at 10
2,000	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2004B, 6.000%, 9/01/39	9/13 at 10
1,375	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 2001-1, Series 2004A, 6.125%, 9/01/39	9/13 at 10
2,500	Yucaipa-Calimesa Joint Unified School District, San Bernardino County, California, General Obligation Refunding Bonds, Series 2001A, 5.000%, 10/01/26 - MBIA Insured	10/11 at 10

128,520 Total Tax Obligation/Limited

TRANSPORTATION - 6.8% (4.4% OF TOTAL INVESTMENTS)

1,690	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2006, 5.000%, 4/01/31	4/16 at 10
11,750	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 0.000%, 1/15/28	1/14 at 10
4,110	San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2003, Issue 29B: 5.125%, 5/01/17 - FGIC Insured	5/13 at 10
5,140	5.125%, 5/01/19 - FGIC Insured	5/13 at 10

22,690 Total Transportation

U.S. GUARANTEED - 25.7% (16.5% OF TOTAL INVESTMENTS) (4)

4,000	Beaumont Financing Authority, California, Local Agency Revenue Bonds, Series 2002A, 6.750%, 9/01/25 (Pre-refunded 9/01/12)	9/12 at 10
11,240	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Merced County Tobacco Funding Corporation, Series 2002A, 5.500%, 6/01/33 (Pre-refunded 6/01/12)	6/12 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A:		
3,500	5.375%, 5/01/17 (Pre-refunded 5/01/12) - XLCA Insured		5/12 at 10
9,000	5.125%, 5/01/18 (Pre-refunded 5/01/12)		5/12 at 10
745	California Statewide Community Development Authority, Revenue Bonds, Thomas Jefferson School of Law, Series 2005A, 4.875%, 10/01/31 (Pre-refunded 10/01/15)		10/15 at 10
	Central California Joint Powers Health Finance Authority, Certificates of Participation, Community Hospitals of Central California Obligated Group, Series 2000:		
1,770	6.000%, 2/01/20 (Pre-refunded 2/01/10)		2/10 at 10
1,740	6.000%, 2/01/30 (Pre-refunded 2/01/10)		2/10 at 10
2,000	Daly City Housing Development Finance Agency, California, Mobile Home Park Revenue Bonds, Franciscan Mobile Home Park Project, Series 2002A, 5.800%, 12/15/25 (Pre-refunded 12/15/13)		12/13 at 10
6,100	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2003A-1, 6.250%, 6/01/33 (Pre-refunded 6/01/13)		6/13 at 10
1,940	Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2003A, 6.500%, 9/01/25 (Pre-refunded 9/01/13)		9/13 at 10

54

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	U.S. GUARANTEED (4) (continued)	
\$ 1,335	Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2004, 6.000%, 9/01/34 (Pre-refunded 9/01/13)	9/13 at 10
1,525	Lucia Mar Unified School District, San Luis Obispo County, California, General Obligation Bonds, Series 2004A, 5.250%, 8/01/22 (Pre-refunded 8/01/14) - FGIC Insured	8/14 at 10
5,500	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2002D, 5.375%, 7/01/36 (Pre-refunded 7/01/12)	7/12 at 10
1,700	Roseville, California, Special Tax Bonds, Community Facilities District 1 - Crocker, Series 2003, 6.000%, 9/01/27 (Pre-refunded 9/01/09)	9/09 at 10
6,425	San Francisco Bay Area Rapid Transit District, California, Sales Tax Revenue Bonds, Series 2001, 5.000%, 7/01/26 (Pre-refunded 7/01/11) - AMBAC Insured	7/11 at 10
7,595	San Francisco State University Foundation Inc., California, Auxiliary Organization Student Housing Revenue Bonds, Series 2001, 5.000%, 9/01/26 (Pre-refunded 9/01/11) -	9/11 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

MBIA Insured

1,590	San Marcos Public Facilities Authority, California, Special Tax Bonds, Community Facilities District 99-1, Series 2003B, 6.000%, 9/01/24 (Pre-refunded 9/01/09)	9/09 at 10
4,200	Tobacco Securitization Authority of Southern California, Tobacco Settlement Asset-Backed Bonds, San Diego County Tobacco Asset Securitization Corporation, Senior Series 2001A, 5.500%, 6/01/36 (Pre-refunded 6/01/12)	6/12 at 10
2,500	Whittier, California, Health Facility Revenue Bonds, Presbyterian Intercommunity Hospital, Series 2002, 5.600%, 6/01/22 (Pre-refunded 6/01/12)	6/12 at 10

74,405	Total U.S. Guaranteed	

UTILITIES - 5.3% (3.4% OF TOTAL INVESTMENTS)

3,815	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.000%, 11/15/35	No Opt.
1,285	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - XLCA Insured	9/15 at 10
5,000	Merced Irrigation District, California, Revenue Certificates of Participation, Electric System Project, Series 2003, 5.700%, 9/01/36	9/13 at 10
2,250	Salinas Valley Solid Waste Authority, California, Revenue Bonds, Series 2002, 5.125%, 8/01/22 - AMBAC Insured (Alternative Minimum Tax)	8/12 at 10
6,000	Southern California Public Power Authority, Natural Gas Project 1 Revenue Bonds, Series 2007A, 5.000%, 11/01/33	No Opt.

18,350	Total Utilities	

WATER AND SEWER - 12.1% (7.7% OF TOTAL INVESTMENTS)

1,070	Burbank, California, Wastewater System Revenue Bonds, Series 2004A, 5.000%, 6/01/22 - AMBAC Insured	6/14 at 10
7,000	Carmichael Water District, Sacramento County, California, Water Revenue Certificates of Participation, Series 1999, 5.125%, 9/01/29 - MBIA Insured	9/09 at 10
1,125	Fortuna Public Finance Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 10/01/36 - FSA Insured	10/16 at 10
890	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - MBIA Insured	4/16 at 10
850	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 - MBIA Insured	6/16 at 10
1,000	Pico Rivera Water Authority, California, Revenue Bonds,	12/11 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Series 2001A, 6.250%, 12/01/32

1,380	Sacramento County Sanitation District Financing Authority, California, Revenue Bonds, Series 2006, 5.000%, 12/01/36 - FGIC Insured	6/16 at 10
1,000	San Buenaventura, California, Wastewater Revenue Certificates of Participation, Series 2004, 5.000%, 3/01/24 - MBIA Insured	3/14 at 10

55

NZH

Nuveen California Dividend Advantage Municipal Fund 3 (continued)
Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
WATER AND SEWER (continued)		
	San Diego Public Facilities Financing Authority, California, Subordinate Lien Water Revenue Bonds, Series 2002:	
\$ 2,500	5.000%, 8/01/23 - MBIA Insured	8/12 at 10
6,260	5.000%, 8/01/24 - MBIA Insured	8/12 at 10
	San Francisco City and County Public Utilities Commission, California, Clean Water Revenue Refunding Bonds, Series 2003A:	
3,315	5.250%, 10/01/18 - MBIA Insured	4/13 at 10
12,000	5.250%, 10/01/19 - MBIA Insured (5)	4/13 at 10
38,390 Total Water and Sewer		
\$ 515,745	Total Investments (cost \$510,361,532) - 156.2%	
Other Assets Less Liabilities - 3.2%		
Preferred Shares, at Liquidation Value - (59.4)% (6)		
Net Assets Applicable to Common Shares - 100%		
=====		

FORWARD SWAPS OUTSTANDING AT FEBRUARY 29, 2008:

COUNTERPARTY	NOTIONAL AMOUNT	FUND PAY/RECEIVE FLOATING RATE	FLOATING RATE INDEX	FIXED RATE (ANNUALIZED)	FIXED RATE PAYMENT FREQUENCY	EFFE DA
UBS	\$29,000,000	Receive	3-Month USD-LIBOR	5.471%	Semi-Annually	6/
=====						

USD-LIBOR (United States Dollar-London Inter-Bank Offered Rate).

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be

other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

- (3) Ratings: Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

The Portfolio of Investments reflects the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. Subsequent to February 29, 2008, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. As of February 29, 2008, one or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers.

- (4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.
- (5) Portion of investment, with an aggregate market value of \$1,935,190, has been pledged to collateralize the net payment obligations under forward swap contracts.
- (6) Preferred Shares, at Liquidation Value as a percentage of total investments is (38.0)%.
- (7) Effective date represents the date on which both the Fund and counterparty commence interest payment accruals on each forward swap contract.

N/R Not rated.

(IF) Inverse floating rate investment.

See accompanying notes to financial statements.

NKL

Nuveen Insured California Dividend Advantage Municipal Fund
Portfolio of INVESTMENTS

February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
---------------------------	-----------------	-----------------------

CONSUMER STAPLES - 4.0% (2.6% OF TOTAL INVESTMENTS)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

\$	14,155	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 10
----	--------	--	------------

EDUCATION AND CIVIC ORGANIZATIONS - 4.9% (3.1% OF TOTAL INVESTMENTS)

1,675	California Educational Facilities Authority, Revenue Bonds, University of San Diego, Series 2002A, 5.250%, 10/01/30	10/12 at 10
-------	---	-------------

9,000	California State University, Systemwide Revenue Bonds, Series 2002A, 5.125%, 11/01/26 - AMBAC Insured	11/12 at 10
-------	---	-------------

10,675	Total Education and Civic Organizations	
--------	---	--

HEALTH CARE - 5.8% (3.8% OF TOTAL INVESTMENTS)

5,000	ABAG Finance Authority for Non-Profit Corporations, California, Cal-Mortgage Insured Revenue Bonds, Sansum-Santa Barbara Medical Foundation Clinic, Series 2002A, 5.600%, 4/01/26	4/12 at 10
-------	---	------------

5,000	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.250%, 3/01/45	3/16 at 10
-------	---	------------

2,815	California Health Facilities Financing Authority, Revenue Bonds, Lucile Salter Packard Children's Hospital, Series 2003C, 5.000%, 8/15/20 - AMBAC Insured	8/13 at 10
-------	---	------------

12,815	Total Health Care	
--------	-------------------	--

HOUSING/MULTIFAMILY - 1.3% (0.9% OF TOTAL INVESTMENTS)

1,000	California Statewide Community Development Authority, Student Housing Revenue Bonds, EAH - Irvine East Campus Apartments, LLC Project, Series 2002A, 5.500%, 8/01/22 - ACA Insured	8/12 at 10
-------	--	------------

1,905	Los Angeles, California, GNMA Mortgage-Backed Securities Program Multifamily Housing Revenue Bonds, Park Plaza West Senior Apartments, Series 2001B, 5.300%, 1/20/21 (Alternative Minimum Tax)	7/11 at 10
-------	--	------------

2,905	Total Housing/Multifamily	
-------	---------------------------	--

HOUSING/SINGLE FAMILY - 0.2% (0.2% OF TOTAL INVESTMENTS)

505	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 10
-----	--	------------

INDUSTRIALS - 1.4% (0.9% OF TOTAL INVESTMENTS)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

3,000	California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, Republic Services Inc., Series 2002C, 5.250%, 6/01/23 (Mandatory put 12/01/17) (Alternative Minimum Tax)	No Opt.

LONG-TERM CARE - 1.4% (0.9% OF TOTAL INVESTMENTS)		
3,000	ABAG Finance Authority for Non-Profit Corporations, California, Insured Senior Living Revenue Bonds, Odd Fellows Home of California, Series 2003A, 5.200%, 11/15/22	11/12 at 10

TAX OBLIGATION/GENERAL - 25.5% (16.6% OF TOTAL INVESTMENTS)		
5,920	Cajon Valley Union School District, San Diego County, California, General Obligation Bonds, Series 2002B, 5.125%, 8/01/32 - MBIA Insured	8/10 at 10
2,900	California, General Obligation Bonds, Series 2003, 5.000%, 2/01/21	8/13 at 10
8,250	California, General Obligation Refunding Bonds, Series 2002, 5.000%, 2/01/22 - MBIA Insured	2/12 at 10
230	El Monte Union High School District, Los Angeles County, California, General Obligation Bonds, Series 2003A, 5.000%, 6/01/28 - FSA Insured	6/13 at 10

57

NKL
 Nuveen Insured California Dividend Advantage Municipal Fund (continued)
 Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

TAX OBLIGATION/GENERAL (continued)		
\$ 10,000	Fremont Unified School District, Alameda County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/25 - FGIC Insured	8/12 at 10
1,000	Los Rios Community College District, Sacramento, El Dorado and Yolo Counties, California, General Obligation Bonds, Series 2006C, 5.000%, 8/01/25 - FSA Insured	8/14 at 10
1,500	Madera Unified School District, Madera County, California, General Obligation Bonds, Series 2002, 5.000%, 8/01/28 - FSA Insured	8/12 at 10
2,000	Murrieta Valley Unified School District, Riverside County, California, General Obligation Bonds, Series 2007, 4.500%, 9/01/30 - FSA Insured	9/17 at 10
2,500	Oakland Unified School District, Alameda County, California, General Obligation Bonds, Series 2002, 5.250%, 8/01/21 -	8/12 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

FGIC Insured

375	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 10
3,250	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 2001C, 5.000%, 7/01/22 - FSA Insured	7/11 at 10
3,500	San Mateo County Community College District, California, General Obligation Bonds, Series 2002A, 5.000%, 9/01/26 - FGIC Insured	9/12 at 10
10,000	Vista Unified School District, San Diego County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/23 - FSA Insured	8/12 at 10
3,905	West Kern Community College District, California, General Obligation Bonds, Election 2004, Series 2007C, 5.000%, 10/01/32 - XLCA Insured	11/17 at 10

55,330	Total Tax Obligation/General	

TAX OBLIGATION/LIMITED - 51.3% (33.3% OF TOTAL INVESTMENTS)

1,450	Baldwin Park Public Financing Authority, California, Sales Tax and Tax Allocation Bonds, Puente Merced Redevelopment Project, Series 2003, 5.250%, 8/01/21	8/13 at 10
6,895	Brea and Olinda Unified School District, Orange County, California, Certificates of Participation Refunding, Series 2002A, 5.125%, 8/01/26 - FSA Insured	8/11 at 10
2,200	California Infrastructure Economic Development Bank, Los Angeles County, Revenue Bonds, Department of Public Social Services, Series 2003, 5.000%, 9/01/28 - AMBAC Insured	9/13 at 10
3,100	California State Public Works Board, Lease Revenue Bonds, Department of Health Services, Richmond Lab, Series 2005B, 5.000%, 11/01/30 - XLCA Insured	11/15 at 10
465	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 10
1,400	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 - AMBAC Insured	9/16 at 10
7,035	Corona-Norco Unified School District, Riverside County, California, Special Tax Bonds, Community Facilities District 98-1, Series 2003, 5.000%, 9/01/28 - MBIA Insured	9/13 at 10
3,145	Culver City Redevelopment Agency, California, Tax Allocation Revenue Bonds, Redevelopment Project, Series 2002A, 5.125%, 11/01/25 - MBIA Insured	5/11 at 10
8,720	El Monte, California, Senior Lien Certificates of Participation,	1/11 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	Department of Public Services Facility Phase II, Series 2001, 5.000%, 1/01/21 - AMBAC Insured	
4,000	Folsom Public Financing Authority, California, Special Tax Revenue Bonds, Series 2004A, 5.000%, 9/01/21 - AMBAC Insured	9/12 at 10
4,985	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Revenue Bonds, Drivers Trust 2091, 8.252%, 6/01/45 - AGC Insured (IF)	6/15 at 10
8,780	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A, 5.000%, 6/01/45 - AMBAC Insured	6/15 at 10
1,300	Hesperia Public Financing Authority, California, Redevelopment and Housing Projects Tax Allocation Bonds, Series 2007A, 5.000%, 9/01/37 - XLCA Insured	9/17 at 10

58

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	TAX OBLIGATION/LIMITED (continued)	
\$ 2,115	Inglewood Redevelopment Agency, California, Tax Allocation Refunding Bonds, Merged Area Redevelopment Project, Series 1998A, 5.250%, 5/01/23 - AMBAC Insured	No Opt.
3,500	La Quinta Redevelopment Agency, California, Tax Allocation Bonds, Redevelopment Project Area 1, Series 2001, 5.100%, 9/01/31 - AMBAC Insured	9/11 at 10
3,400	La Quinta Redevelopment Agency, California, Tax Allocation Bonds, Redevelopment Project Area 1, Series 2002, 5.000%, 9/01/22 - AMBAC Insured	9/12 at 10
845	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 10
4,690	Los Angeles County Metropolitan Transportation Authority, California, Proposition C Second Senior Lien Sales Tax Revenue Refunding Bonds, Series 1998A, 5.000%, 7/01/23 - AMBAC Insured	7/08 at 10
1,460	Los Angeles, California, Certificates of Participation, Municipal Improvement Corporation, Series 2003AW, 5.000%, 6/01/33 - AMBAC Insured	6/13 at 10
7,000	Los Angeles, California, Certificates of Participation, Series 2002, 5.200%, 4/01/27 - AMBAC Insured	4/12 at 10
8,470	Ontario Redevelopment Financing Authority, California, Lease Revenue Bonds, Capital Projects, Series 2001, 5.200%, 8/01/29 - AMBAC Insured	8/11 at 10
5,000	Palm Desert Financing Authority, California, Tax Allocation Revenue Refunding Bonds, Project Area 1, Series 2002,	4/12 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	5.000%, 4/01/25 - MBIA Insured	
3,000	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N, 5.250%, 7/01/39 - FGIC Insured	No Opt.
405	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - XLCA Insured	9/15 at 10
4,475	Riverside County, California, Asset Leasing Corporate Leasehold Revenue Bonds, Riverside County Hospital Project, Series 1997B, 5.000%, 6/01/19 - MBIA Insured	6/12 at 10
505	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 10
3,175	San Buenaventura, California, Certificates of Participation, Series 2001C, 5.250%, 2/01/31 - AMBAC Insured	2/11 at 10
3,730	San Diego Redevelopment Agency, California, Subordinate Lien Tax Increment and Parking Revenue Bonds, Centre City Project, Series 2003B, 5.250%, 9/01/26	9/09 at 10
4,000	San Jose Financing Authority, California, Lease Revenue Refunding Bonds, Convention Center Project, Series 2001F, 5.000%, 9/01/19 - MBIA Insured	9/11 at 10
1,000	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 8/01/28 - MBIA Insured	8/15 at 10
2,160	Temecula Redevelopment Agency, California, Tax Allocation Revenue Bonds, Redevelopment Project 1, Series 2002, 5.125%, 8/01/27 - MBIA Insured	8/08 at 10

112,405	Total Tax Obligation/Limited	

	TRANSPORTATION - 5.2% (3.4% OF TOTAL INVESTMENTS)	
7,500	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 0.000%, 1/15/29	1/14 at 10
	San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2003, Issue 29A:	
2,185	5.250%, 5/01/16 - FGIC Insured (Alternative Minimum Tax)	5/13 at 10
2,300	5.250%, 5/01/17 - FGIC Insured (Alternative Minimum Tax)	5/13 at 10

11,985	Total Transportation	

	U.S. GUARANTEED - 19.4% (12.5% OF TOTAL INVESTMENTS) (4)	
6,000	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18 (Pre-refunded 5/01/12)	5/12 at 10

NKL

Nuveen Insured California Dividend Advantage Municipal Fund (continued)
Portfolio of INVESTMENTS February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
U.S. GUARANTEED (4) (continued)		
\$ 2,500	California Health Facilities Financing Authority, Revenue Bonds, Cedars-Sinai Medical Center, Series 1999A, 6.125%, 12/01/30 (Pre-refunded 12/01/09)	12/09 at 10
2,250	California Infrastructure Economic Development Bank, First Lien Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2003A, 5.000%, 7/01/36 (Pre-refunded 1/01/28) - AMBAC Insured	1/28 at 10
2,185	El Monte Union High School District, Los Angeles County, California, General Obligation Bonds, Series 2003A, 5.000%, 6/01/28 (Pre-refunded 6/01/13) - FSA Insured	6/13 at 10
	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Series 2002B:	
1,135	5.125%, 8/01/23 - FGIC Insured (ETM)	8/10 at 10
1,190	5.125%, 8/01/24 - FGIC Insured (ETM)	8/10 at 10
1,245	5.125%, 8/01/25 - FGIC Insured (ETM)	8/10 at 10
1,255	5.125%, 8/01/26 - FGIC Insured (ETM)	8/10 at 10
2,070	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Series 2002G, 5.125%, 8/01/26 - FSA Insured (ETM)	8/10 at 10
4,500	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2003A-2, 7.900%, 6/01/42 (Pre-refunded 6/01/13)	6/13 at 10
5,000	Los Angeles Unified School District, California, General Obligation Bonds, Series 2002E, 5.125%, 1/01/27 (Pre-refunded 7/01/12) - MBIA Insured	7/12 at 10
3,380	Rancho Mirage Joint Powers Financing Authority, California, Revenue Bonds, Eisenhower Medical Center, Series 2004, 5.875%, 7/01/26 (Pre-refunded 7/01/14)	7/14 at 10
2,980	Santa Clarita Community College District, Los Angeles County, California, General Obligation Bonds, Series 2002, 5.125%, 8/01/26 (Pre-refunded 8/01/11) - FGIC Insured	8/11 at 10
2,460	Vacaville Unified School District, Solano County, California, General Obligation Bonds, Series 2002, 5.000%, 8/01/26 (Pre-refunded 8/01/11) - FSA Insured	8/11 at 10
38,150	Total U.S. Guaranteed	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

UTILITIES - 18.6% (12.0% OF TOTAL INVESTMENTS)

9,000	Anaheim Public Finance Authority, California, Revenue Bonds, Electric System Distribution Facilities, Series 2002A, 5.000%, 10/01/27 - FSA Insured	10/12 at 10
10,000	California Pollution Control Financing Authority, Remarketed Revenue Bonds, Pacific Gas and Electric Company, Series 1996A, 5.350%, 12/01/16 - MBIA Insured (Alternative Minimum Tax)	4/11 at 10
2,490	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.000%, 11/15/35	No Opt.
3,000	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2001A-1, 5.250%, 7/01/21 - FSA Insured	7/11 at 10
830	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - XLCA Insured	9/15 at 10
6,000	Northern California Power Agency, Revenue Refunding Bonds, Hydroelectric Project 1, Series 1998A, 5.200%, 7/01/32 - MBIA Insured	7/08 at 10
3,000	Sacramento Municipal Utility District, California, Electric Revenue Bonds, Series 2001N, 5.000%, 8/15/28 - MBIA Insured	8/11 at 10
5,630	Southern California Public Power Authority, Subordinate Revenue Refunding Bonds, Transmission Project, Series 2002A, 4.750%, 7/01/19 - FSA Insured	7/12 at 10

39,950	Total Utilities	

WATER AND SEWER - 15.2% (9.8% OF TOTAL INVESTMENTS)

3,000	California Department of Water Resources, Water System Revenue Bonds, Central Valley Project, Series 2002X, 5.150%, 12/01/23 - FGIC Insured	12/12 at 10
9,000	Eastern Municipal Water District, California, Water and Sewerage System Revenue Certificates of Participation, Series 2001B, 5.000%, 7/01/30 - FGIC Insured	7/11 at 10

60

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

WATER AND SEWER (continued)		
\$ 750	Fortuna Public Finance Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 10/01/36 - FSA Insured	10/16 at 10
570	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - MBIA Insured	4/16 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

4,500	Los Angeles County Sanitation Districts Financing Authority, California, Senior Revenue Bonds, Capital Projects, Series 2003A, 5.000%, 10/01/23 - FSA Insured	10/13 at 10
2,425	Manteca Financing Authority, California, Sewerage Revenue Bonds, Series 2003B, 5.000%, 12/01/33 - MBIA Insured	12/13 at 10
500	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 - MBIA Insured	6/16 at 10
9,185	Orange County Sanitation District, California, Certificates of Participation, Series 2003, 5.000%, 2/01/33 - FGIC Insured	8/13 at 10
870	Sacramento County Sanitation District Financing Authority, California, Revenue Bonds, Series 2006, 5.000%, 12/01/36 - FGIC Insured	6/16 at 10
	Semitropic Water Storage District, Kern County, California, Water Banking Revenue Bonds, Series 2004A:	
1,315	5.500%, 12/01/20 - XLCA Insured	12/14 at 10
1,415	5.500%, 12/01/21 - XLCA Insured	12/14 at 10

33,530	Total Water and Sewer	

\$ 338,405	Total Investments (cost \$331,770,845) - 154.2%	
=====		
	Other Assets Less Liabilities - 1.4%	

	Preferred Shares, at Liquidation Value - (55.6)% (5)	

	Net Assets Applicable to Common Shares - 100%	
=====		

As of February 29, 2008, at least 80% of the Fund's net assets (including net assets attributable to Preferred shares) are invested in municipal securities that are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance which ensures the timely payment of principal and interest. Up to 20% of the Fund's net assets (including net assets attributable to Preferred shares) may be invested in municipal securities that are (i) either backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities (also ensuring the timely payment of principal and interest), or (ii) rated, at the time of investment, within the four highest grades (Baa or BBB or better by Moody's, Standard & Poor's or Fitch) or unrated but judged to be of comparable quality by the Adviser.

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.
- (3) Ratings: Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

The Portfolio of Investments reflects the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. Subsequent to February 29, 2008, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. As of February 29, 2008, one or more rating agencies have placed each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers.

- (4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.
- (5) Preferred Shares, at Liquidation Value as a percentage of total investments is (36.1)%.

N/R Not rated.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

See accompanying notes to financial statements.

61

NKX

Nuveen Insured California Tax-Free Advantage Municipal Fund
Portfolio of INVESTMENTS

February 29, 2008 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	CONSUMER STAPLES - 4.5% (3.2% OF TOTAL INVESTMENTS)	
\$ 6,070	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 10

	HEALTH CARE - 9.4% (6.6% OF TOTAL INVESTMENTS)	
1,815	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.250%, 3/01/45	3/16 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

1,800	California Infrastructure Economic Development Bank, Revenue Bonds, Kaiser Hospital Assistance LLC, Series 2001A, 5.550%, 8/01/31	8/11 at 10
4,060	California Statewide Community Development Authority, Revenue Bonds, Sherman Oaks Health System, Series 1998A, 5.000%, 8/01/22 - AMBAC Insured	No Opt.
<hr/>		
7,675	Total Health Care	
<hr/>		
HOUSING/MULTIFAMILY - 1.4% (0.9% OF TOTAL INVESTMENTS)		
1,165	Poway, California, Housing Revenue Bonds, Revenue Bonds, Poinsettia Mobile Home Park, Series 2003, 5.000%, 5/01/23	5/13 at 10
<hr/>		
LONG-TERM CARE - 3.6% (2.5% OF TOTAL INVESTMENTS)		
1,000	ABAG Finance Authority for Non-Profit Corporations, California, Insured Senior Living Revenue Bonds, Odd Fellows Home of California, Series 2003A, 5.200%, 11/15/22	11/12 at 10
2,000	California Health Facilities Financing Authority, Cal-Mortgage Insured Revenue Bonds, Northern California Retired Officers Community Corporation - Paradise Valley Estates, Series 2002, 5.250%, 1/01/26	1/13 at 10
<hr/>		
3,000	Total Long-Term Care	
<hr/>		
TAX OBLIGATION/GENERAL - 19.5% (13.6% OF TOTAL INVESTMENTS)		
2,000	Butte-Glenn Community College District, Butte and Glenn Counties, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/26 - MBIA Insured	8/12 at 10
2,460	California State, General Obligation Bonds, Series 2002: 5.000%, 4/01/27 - AMBAC Insured	4/12 at 10
55	5.250%, 4/01/30 - XLCA Insured	4/12 at 10
450	Fremont Unified School District, Alameda County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/25 - FGIC Insured	8/12 at 10
2,000	Los Angeles, California, General Obligation Bonds, Series 2002A, 5.000%, 9/01/22 - MBIA Insured	9/12 at 10
1,000	Murrieta Valley Unified School District, Riverside County, California, General Obligation Bonds, Series 2003A, 5.000%, 9/01/26 - FGIC Insured	9/13 at 10
1,000	Murrieta Valley Unified School District, Riverside County, California, General Obligation Bonds, Series 2007, 4.500%, 9/01/30 - FSA Insured	9/17 at 10
140	Roseville Joint Union High School District, Placer County,	8/15 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	
3,000	San Diego Unified School District, California, General Obligation Bonds, Election of 1998, Series 2000B, 5.125%, 7/01/22 - MBIA Insured	7/10 at 10
3,855	San Rafael City High School District, Marin County, California, General Obligation Bonds, Series 2003A, 5.000%, 8/01/28 - FSA Insured	8/12 at 10

15,960	Total Tax Obligation/General	

62

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	TAX OBLIGATION/LIMITED - 46.7% (32.6% OF TOTAL INVESTMENTS)	
\$ 550	Baldwin Park Public Financing Authority, California, Sales Tax and Tax Allocation Bonds, Puente Merced Redevelopment Project, Series 2003, 5.250%, 8/01/21	8/13 at 10
1,165	Burbank Public Financing Authority, California, Revenue Refunding Bonds, Golden State Redevelopment Project, Series 2003A, 5.250%, 12/01/22 - AMBAC Insured	12/13 at 10
4,000	California State Public Works Board, Lease Revenue Bonds, Department of General Services, Capital East End Project, Series 2002A, 5.000%, 12/01/27 - AMBAC Insured	12/12 at 10
170	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 10
525	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 - AMBAC Insured	9/16 at 10
1,610	Folsom Public Financing Authority, California, Special Tax Revenue Bonds, Series 2004A, 5.000%, 9/01/21 - AMBAC Insured	9/12 at 10
1,875	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Revenue Bonds, Drivers Trust 2091, 8.252%, 6/01/45 - AGC Insured (IF)	6/15 at 10
3,285	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A, 5.000%, 6/01/45 - AMBAC Insured	6/15 at 10
1,000	Hesperia Public Financing Authority, California, Redevelopment and Housing Projects Tax Allocation Bonds, Series 2007A, 5.000%, 9/01/37 - XLCA Insured	9/17 at 10
5,540	Irvine Public Facilities and Infrastructure Authority, California,	9/13 at 10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	Assessment Revenue Bonds, Series 2003C, 5.000%, 9/02/21 - AMBAC Insured	
315	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 10
1,770	Los Angeles Unified School District, California, Certificates of Participation, Administration Building Project II, Series 2002C, 5.000%, 10/01/27 - AMBAC Insured	10/12 at 10
2,000	Los Angeles, California, Certificates of Participation, Municipal Improvement Corporation, Series 2003AW, 5.000%, 6/01/33 - AMBAC Insured	6/13 at 10
1,500	Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Police Headquarters, Series 2006A, 4.750%, 1/01/31 - FGIC Insured	1/17 at 10
1,500	Los Osos, California, Improvement Bonds, Community Services Wastewater Assessment District 1, Series 2002, 5.000%, 9/02/33 - MBIA Insured	9/10 at 10
1,000	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N, 5.250%, 7/01/39 - FGIC Insured	No Opt.
150	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - XLCA Insured	9/15 at 10
190	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 10
	San Buenaventura, California, Certificates of Participation, Golf Course Financing Project, Series 2002D:	
3,000	5.000%, 2/01/27 - AMBAC Insured	2/12 at 10
3,300	5.000%, 2/01/32 - AMBAC Insured	2/12 at 10
1,200	San Diego Redevelopment Agency, California, Subordinate Lien Tax Increment and Parking Revenue Bonds, Centre City Project, Series 2003B, 5.250%, 9/01/26	9/09 at 10
2,770	San Jose Financing Authority, California, Lease Revenue Refunding Bonds, Civic Center Project, Series 2002B, 5.000%, 6/01/32 - AMBAC Insured	6/12 at 10
1,000	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 8/01/28 - MBIA Insured	8/15 at 10

39,415	Total Tax Obligation/Limited	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION

	TRANSPORTATION - 10.2% (7.1% OF TOTAL INVESTMENTS)	
\$ 5,480	Bay Area Governments Association, California, BART SFO Extension, Airport Premium Fare Revenue Bonds, Series 2002A, 5.000%, 8/01/26 - AMBAC Insured	8/12 at 10
2,000	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Bonds, Series 1995A, 5.000%, 1/01/35	1/10 at 10
1,300	San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2000, Issue 26B, 5.000%, 5/01/25 - FGIC Insured	5/10 at 10

8,780	Total Transportation	

	U.S. GUARANTEED - 26.7% (18.7% OF TOTAL INVESTMENTS) (4)	
1,000	Berryessa Union School District, Santa Clara County, California, General Obligation Bonds, Series 2003C, 5.000%, 8/01/21 (Pre-refunded 8/01/12) - FSA Insured	8/12 at 10
1,000	California Health Facilities Financing Authority, Revenue Bonds, UCSF - Stanford Healthcare, Series 1998A, 5.000%, 11/15/31 (Pre-refunded 11/15/08) - FSA Insured	11/08 at 10
1,290	California State, General Obligation Bonds, Series 2002: 5.000%, 4/01/27 (Pre-refunded 4/01/12) - AMBAC Insured	4/12 at 10
2,945	5.250%, 4/01/30 (Pre-refunded 4/01/12) - XLCA Insured	4/12 at 10
500	California, General Obligation Bonds, Series 2004, 5.250%, 4/01/34 (Pre-refunded 4/01/14)	4/14 at 10
1,625	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2003A-2, 7.900%, 6/01/42 (Pre-refunded 6/01/13)	6/13 at 10
4,500	Hacienda La Puente Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2003B: 5.000%, 8/01/26 (Pre-refunded 8/01/13) - FSA Insured	8/13 at 10
2,030	5.000%, 8/01/27 (Pre-refunded 8/01/13) - FSA Insured	8/13 at 10
1,260	Rancho Mirage Joint Powers Financing Authority, California, Revenue Bonds, Eisenhower Medical Center, Series 2004, 5.875%, 7/01/26 (Pre-refunded 7/01/14)	7/14 at 10
1,220	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2002, 5.000%, 8/01/32 (Pre-refunded 8/01/10) - MBIA Insured	8/10 at 10
2,390	Solano County, California, Certificates of Participation, Series 2002, 5.250%, 11/01/24 (Pre-refunded 11/01/12) - MBIA Insured	11/12 at 10

19,760	Total U.S. Guaranteed	

 UTILITIES - 6.9% (4.8% OF TOTAL INVESTMENTS)

1,000	Anaheim Public Finance Authority, California, Second Lien Electric Distribution Revenue Bonds, Series 2004, 5.250%, 10/01/21 - MBIA Insured	10/14 at 10
945	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.500%, 11/15/37	No Opt.
3,055	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2001A-1, 5.250%, 7/01/22 - FSA Insured	7/11 at 10
275	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2003A-2, 5.000%, 7/01/21 - MBIA Insured	7/13 at 10
310	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - XLCA Insured	9/15 at 10

 5,585 Total Utilities

WATER AND SEWER - 14.3% (10.0% OF TOTAL INVESTMENTS)

1,000	Castaic Lake Water Agency, California, Certificates of Participation, Series 2006C, 5.000%, 8/01/36 - MBIA Insured	8/16 at 10
750	Fortuna Public Finance Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 10/01/36 - FSA Insured	10/16 at 10
215	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - MBIA Insured	4/16 at 10

64

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL PROVISION
---------------------------	-----------------	-----------------------

WATER AND SEWER (continued)

\$ 895	Manteca Financing Authority, California, Sewerage Revenue Bonds, Series 2003B, 5.000%, 12/01/33 - MBIA Insured	12/13 at 10
170	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 - MBIA Insured	6/16 at 10
370	Sacramento County Sanitation District Financing Authority, California, Revenue Bonds, Series 2006, 5.000%, 12/01/36 - FGIC Insured	6/16 at 10
	San Diego Public Facilities Financing Authority, California, Subordinate Lien Water Revenue Bonds, Series 2002:	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

3,000	5.000%, 8/01/22 - MBIA Insured	8/12 at 10
2,500	5.000%, 8/01/23 - MBIA Insured	8/12 at 10
1,180	South Feather Water and Power Agency, California, Water Revenue Certificates of Participation, Solar Photovoltaic Project, Series 2003, 5.375%, 4/01/24	4/13 at 10
1,600	Sunnyvale Financing Authority, California, Water and Wastewater Revenue Bonds, Series 2001, 5.000%, 10/01/26 - AMBAC Insured	10/11 at 10

11,680	Total Water and Sewer	

\$ 119,090	Total Investments (cost \$117,922,767) - 143.2%	
=====		
	Other Assets Less Liabilities - 12.9%	

	Preferred Shares, at Liquidation Value - (56.1)% (5)	

	Net Assets Applicable to Common Shares - 100%	
=====		

As of February 29, 2008, at least 80% of the Fund's net assets (including net assets attributable to Preferred shares) are invested in municipal securities that are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance which ensures the timely payment of principal and interest. Up to 20% of the Fund's net assets (including net assets attributable to Preferred shares) may be invested in municipal securities that are (i) either backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities (also ensuring the timely payment of principal and interest), or (ii) rated, at the time of investment, within the four highest grades (Baa or BBB or better by Moody's, Standard & Poor's or Fitch) or unrated but judged to be of comparable quality by the Adviser.

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.
- (3) Ratings: Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

The Portfolio of Investments reflects the ratings on certain bonds insured by AMBAC, FGIC, MBIA and XLCA as of February 29, 2008. Subsequent to February 29, 2008, at least one rating agency reduced the rating for AMBAC-insured bonds to AA and at least one rating agency further reduced the ratings for FGIC-insured and XLCA-insured bonds. As of February 29, 2008, one or more rating agencies have placed

each of these insurers on "negative credit watch", which may presage one or more rating reductions for such insurer or insurers in the future. If one or more insurers' ratings are reduced by these rating agencies, it would likely reduce the effective rating of many of the bonds insured by that insurer or insurers.

- (4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.
- (5) Preferred Shares, at Liquidation Value as a percentage of total investments is (39.2)%.
- (IF) Inverse floating rate investment.

See accompanying notes to financial statements.

65

Statement of
ASSETS & LIABILITIES

February 29, 2008 (Unaudited)

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)

ASSETS		
Investments, at value (cost \$132,991,181, \$282,997,557, \$119,762,657 and \$541,177,540, respectively)	\$134,923,830	\$276,839,511
Cash	774,867	1,171,979
Receivables:		
Interest	2,375,186	3,771,044
Investments sold	--	1,986,719
Other assets	682	28,359

Total assets	138,074,565	283,797,612

LIABILITIES		
Cash overdraft	--	--
Floating rate obligations	--	16,845,000
Unrealized depreciation on forward swaps	--	--
Accrued expenses:		
Management fees	72,285	139,356
Other	24,487	53,879
Common share dividends payable	340,021	612,939
Preferred share dividends payable	16,107	22,868

Total liabilities	452,900	17,674,042

Preferred shares, at liquidation value	45,000,000	95,000,000

Net assets applicable to Common shares	\$ 92,621,665	\$171,123,570

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Common shares outstanding	6,459,832	12,716,370
Net asset value per Common share outstanding (net assets applicable to Common shares, divided by Common shares outstanding)	\$ 14.34	\$ 13.46

NET ASSETS APPLICABLE TO COMMON SHARES CONSIST OF:

Common shares, \$.01 par value per share	\$ 64,598	\$ 127,164
Paid-in surplus	89,426,693	176,228,128
Undistributed (Over-distribution of) net investment income	74,294	20,209
Accumulated net realized gain (loss) from investments and derivative transactions	1,123,431	906,115
Net unrealized appreciation (depreciation) of investments and derivative transactions	1,932,649	(6,158,046)
Net assets applicable to Common shares	\$ 92,621,665	\$171,123,570
Authorized shares:		
Common	200,000,000	200,000,000
Preferred	1,000,000	1,000,000

See accompanying notes to financial statements.

66

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)
ASSETS		
Investments, at value (cost \$323,838,894, \$510,361,532, \$331,770,845 and \$117,922,767, respectively)	\$319,068,707	\$491,521,335
Cash	--	--
Receivables:		
Interest	4,353,689	7,598,916
Investments sold	5,150	7,877,258
Other assets	24,237	46,590
Total assets	323,451,783	507,044,099
LIABILITIES		
Cash overdraft	189,568	978,218
Floating rate obligations	6,171,000	--
Unrealized depreciation on forward swaps	--	2,677,814
Accrued expenses:		
Management fees	111,230	175,615
Other	59,631	83,554
Common share dividends payable	821,429	1,359,786
Preferred share dividends payable	56,899	54,631
Total liabilities	7,409,757	5,329,618

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Preferred shares, at liquidation value	110,000,000	187,000,000
Net assets applicable to Common shares	\$206,042,026	\$314,714,481
Common shares outstanding	14,797,422	24,132,334
Net asset value per Common share outstanding (net assets applicable to Common shares, divided by Common shares outstanding)	\$ 13.92	\$ 13.04

NET ASSETS APPLICABLE TO COMMON SHARES CONSIST OF:

Common shares, \$.01 par value per share	\$ 147,974	\$ 241,323
Paid-in surplus	210,153,559	342,811,267
Undistributed (Over-distribution of) net investment income	(382,833)	(405,676)
Accumulated net realized gain (loss) from investments and derivative transactions	893,513	(6,414,422)
Net unrealized appreciation (depreciation) of investments and derivative transactions	(4,770,187)	(21,518,011)
Net assets applicable to Common shares	\$206,042,026	\$314,714,481
Authorized shares:		
Common	Unlimited	Unlimited
Preferred	Unlimited	Unlimited

See accompanying notes to financial statements.

67

Statement of
OPERATIONS

Six Months Ended February 29, 2008 (Unaudited)

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)
INVESTMENT INCOME	\$3,584,184	\$ 7,001,803
EXPENSES		
Management fees	453,828	879,042
Preferred shares - auction fees	56,096	118,424
Preferred shares - dividend disbursing agent fees	4,959	9,936
Shareholders' servicing agent fees and expenses	3,956	6,909
Interest expense on floating rate obligations	--	23,204
Custodian's fees and expenses	25,407	34,118
Directors'/Trustees' fees and expenses	1,702	3,115
Professional fees	7,169	9,653
Shareholders' reports - printing and mailing expenses	9,187	21,853
Stock exchange listing fees	4,811	4,799
Investor relations expense	5,357	10,294
Other expenses	7,368	10,489
Total expenses before custodian fee credit and expense reimbursement	579,840	1,131,836

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Custodian fee credit	(6,439)	(5,099)
Expense reimbursement	--	--

Net expenses	573,401	1,126,737

Net investment income	3,010,783	5,875,066

REALIZED AND UNREALIZED GAIN (LOSS)		
Net realized gain (loss) from:		
Investments	336,770	688,647
Forward swaps	863,429	856,758
Futures	--	--
Change in net unrealized appreciation (depreciation) of:		
Investments	(5,193,844)	(14,309,221)
Forward swaps	(364,728)	(656,230)

Net realized and unrealized gain (loss)	(4,358,373)	(13,420,046)

DISTRIBUTIONS TO PREFERRED SHAREHOLDERS		
From net investment income	(750,163)	(1,592,995)
From accumulated net realized gains	(25,344)	--

Decrease in net assets applicable to Common shares		
from distributions to Preferred shareholders	(775,507)	(1,592,995)

Net increase (decrease) in net assets applicable to Common shares		
from operations	\$ (2,123,097)	\$ (9,137,975)
=====		

See accompanying notes to financial statements.

68

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)

INVESTMENT INCOME	\$ 8,427,602	\$13,730,317

EXPENSES		
Management fees	1,026,137	1,639,606
Preferred shares - auction fees	137,122	233,109
Preferred shares - dividend disbursing agent fees	9,927	9,954
Shareholders' servicing agent fees and expenses	916	1,556
Interest expense on floating rate obligations	102,979	5,181
Custodian's fees and expenses	53,276	64,043
Directors'/Trustees' fees and expenses	3,054	5,948
Professional fees	8,048	11,808
Shareholders' reports - printing and mailing expenses	16,216	24,142
Stock exchange listing fees	626	1,021
Investor relations expense	11,598	18,028
Other expenses	11,280	14,944

Total expenses before custodian fee credit and		
expense reimbursement	1,381,179	2,029,340
Custodian fee credit	(13,373)	(24,181)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Expense reimbursement	(329,183)	(553,203)
Net expenses	1,038,623	1,451,956
Net investment income	7,388,979	12,278,361
REALIZED AND UNREALIZED GAIN (LOSS)		
Net realized gain (loss) from:		
Investments	26,877	(1,357,951)
Forward swaps	1,314,381	--
Futures	--	(291,364)
Change in net unrealized appreciation (depreciation) of:		
Investments	(12,507,608)	(25,890,522)
Forward swaps	(396,451)	(2,024,955)
Net realized and unrealized gain (loss)	(11,562,801)	(29,564,792)
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS		
From net investment income	(1,973,796)	(3,262,301)
From accumulated net realized gains	--	--
Decrease in net assets applicable to Common shares from distributions to Preferred shareholders		
	(1,973,796)	(3,262,301)
Net increase (decrease) in net assets applicable to Common shares from operations	\$ (6,147,618)	\$ (20,548,732)

See accompanying notes to financial statements.

69

Statement of
CHANGES in NET ASSETS (Unaudited)

	INSURED CALIFORNIA PREMIUM INCOME (NPC)		INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	
	SIX MONTHS ENDED 2/29/08	YEAR ENDED 8/31/07	SIX MONTHS ENDED 2/29/08	YEAR ENDED 8/31/07
OPERATIONS				
Net investment income	\$ 3,010,783	\$ 5,834,849	\$ 5,875,066	\$ 11,372,772
Net realized gain (loss) from:				
Investments	336,770	132,902	688,647	(30,877)
Forward swaps	863,429	159,600	856,758	419,200
Futures	--	--	--	--
Change in net unrealized appreciation (depreciation) of:				
Investments	(5,193,844)	(2,928,553)	(14,309,221)	(6,140,606)
Forward swaps	(364,728)	35,238	(656,230)	(181,996)
Futures	--	--	--	--
Distributions to Preferred shareholders:				
From net investment income	(750,163)	(1,373,537)	(1,592,995)	(3,120,823)
From accumulated net				

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

realized gains	(25,344)	(118,110)	--	--

Net increase (decrease) in net assets applicable to Common shares from operations	(2,123,097)	1,742,389	(9,137,975)	2,317,670

DISTRIBUTIONS TO COMMON SHAREHOLDERS				
From net investment income	(2,345,056)	(4,725,196)	(4,081,954)	(8,545,402)
From accumulated net realized gains	(86,562)	(486,696)	--	--

Decrease in net assets applicable to Common shares from distributions to Common shareholders	(2,431,618)	(5,211,892)	(4,081,954)	(8,545,402)

CAPITAL SHARE TRANSACTIONS				
Net proceeds from Common shares issued to shareholders due to reinvestment of distributions	--	65,214	--	--

Net increase (decrease) in net assets applicable to Common shares from capital share transactions	--	65,214	--	--

Net increase (decrease) in net assets applicable to Common shares	(4,554,715)	(3,404,289)	(13,219,929)	(6,227,732)
Net assets applicable to Common shares at the beginning of period	97,176,380	100,580,669	184,343,499	190,571,231

Net assets applicable to Common shares at the end of period	\$92,621,665	\$ 97,176,380	\$171,123,570	\$184,343,499
=====				
Undistributed (Over-distribution of) net investment income at the end of period	\$ 74,294	\$ 158,730	\$ 20,209	\$ (179,908)
=====				

See accompanying notes to financial statements.

70

	CALIFORNIA DIVIDEND ADVANTAGE (NAC)		CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	
	SIX MONTHS ENDED	YEAR ENDED	SIX MONTHS ENDED	YEAR ENDED
	2/29/08	8/31/07	2/29/08	8/31/07

OPERATIONS				
Net investment income	\$ 11,886,005	\$ 23,391,916	\$ 7,388,979	\$ 14,244,418
Net realized gain (loss) from:				
Investments	2,479,066	1,330,465	26,877	(394,576)
Forward swaps	4,168,843	(824,000)	1,314,381	352,500
Futures	--	29,877	--	--
Change in net unrealized appreciation				

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

(depreciation) of:				
Investments	(28,481,675)	(14,848,472)	(12,507,608)	(8,830,002)
Forward swaps	(2,275,676)	1,437,247	(396,451)	(351,758)
Futures	--	(27,339)	--	--
Distributions to Preferred shareholders:				
From net investment income	(3,022,277)	(5,740,999)	(1,973,796)	(3,680,820)
From accumulated net realized gains	(260,925)	(310,662)	--	--

Net increase (decrease) in net assets applicable to Common shares from operations	(15,506,639)	4,438,033	(6,147,618)	1,339,762

DISTRIBUTIONS TO COMMON SHAREHOLDERS				
From net investment income	(8,664,213)	(18,656,213)	(5,142,104)	(11,272,438)
From accumulated net realized gains	(838,245)	(1,250,132)	--	--

Decrease in net assets applicable to Common shares from distributions to Common shareholders	(9,502,458)	(19,906,345)	(5,142,104)	(11,272,438)

CAPITAL SHARE TRANSACTIONS				
Net proceeds from Common shares issued to shareholders due to reinvestment of distributions	--	475,567	--	104,551

Net increase (decrease) in net assets applicable to Common shares from capital share transactions	--	475,567	--	104,551

Net increase (decrease) in net assets applicable to Common shares	(25,009,097)	(14,992,745)	(11,289,722)	(9,828,125)
Net assets applicable to Common shares at the beginning of period	350,523,419	365,516,164	217,331,748	227,159,873

Net assets applicable to Common shares at the end of period	\$325,514,322	\$350,523,419	\$206,042,026	\$217,331,748
=====				
Undistributed (Over-distribution of) net investment income at the end of period	\$ (780,177)	\$ (979,692)	\$ (382,835)	\$ (655,912)
=====				

See accompanying notes to financial statements.

71

Statement of
CHANGES in NET ASSETS (continued) (Unaudited)

INSURED CALIFORNIA
DIVIDEND ADVANTAGE (NKL)

SIX MONTHS
ENDED
2/29/08
YEAR ENDED
8/31/07

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

OPERATIONS		
Net investment income	\$ 7,791,819	\$ 15,395,108
Net realized gain (loss) from:		
Investments	812,849	653,722
Forward swaps	731,015	(200,000)
Futures	--	--
Change in net unrealized appreciation (depreciation) of:		
Investments	(17,099,516)	(8,944,129)
Forward swaps	(24,419)	24,419
Futures	--	--
Distributions to Preferred shareholders:		
From net investment income	(2,110,558)	(4,037,528)
From accumulated net realized gains	(116,419)	(10,666)

Net increase (decrease) in net assets applicable to Common shares from operations	(10,015,229)	2,880,926

DISTRIBUTIONS TO COMMON SHAREHOLDERS		
From net investment income	(5,495,318)	(11,778,209)
From accumulated net realized gains	(340,878)	(39,709)

Decrease in net assets applicable to Common shares from distributions to Common shareholders	(5,836,196)	(11,817,918)

CAPITAL SHARE TRANSACTIONS		
Net proceeds from Common shares issued to shareholders due to reinvestment of distributions	--	335,845

Net increase (decrease) in net assets applicable to Common shares from capital share transactions	--	335,845

Net increase (decrease) in net assets applicable to Common shares	(15,851,425)	(8,601,147)
Net assets applicable to Common shares at the beginning of period	227,923,442	236,524,589

Net assets applicable to Common shares at the end of period	\$212,072,017	\$227,923,442
=====		
Undistributed (Over-distribution of) net investment income at the end of period	\$ (334,367)	\$ (520,310)
=====		

See accompanying notes to financial statements.

The funds covered in this report and their corresponding Common share stock exchange symbols are Nuveen Insured California Premium Income Municipal Fund, Inc. (NPC), Nuveen Insured California Premium Income Municipal Fund 2, Inc. (NCL), Nuveen California Premium Income Municipal Fund (NCU), Nuveen California Dividend Advantage Municipal Fund (NAC), Nuveen California Dividend Advantage Municipal Fund 2 (NVX), Nuveen California Dividend Advantage Municipal Fund 3 (NZH), Nuveen Insured California Dividend Advantage Municipal Fund (NKL) and Nuveen Insured California Tax-Free Advantage Municipal Fund (NKX) (collectively, the "Funds"). Common shares of Insured California Premium Income (NPC), Insured California Premium Income 2 (NCL) and California Dividend Advantage (NAC) are traded on the New York Stock Exchange while Common shares of California Premium Income (NCU), California Dividend Advantage 2 (NVX), California Dividend Advantage 3 (NZH), Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX) are traded on the American Stock Exchange. The Funds are registered under the Investment Company Act of 1940, as amended, as closed-end management investment companies.

Each Fund seeks to provide current income exempt from both regular federal and California state income taxes, and in the case of Insured California Tax-Free Advantage (NKX) the alternative minimum tax applicable to individuals, by investing primarily in a diversified portfolio of municipal obligations issued by state and local government authorities within the state of California or certain U.S. territories.

The following is a summary of significant accounting policies followed by the Funds in the preparation of their financial statements in accordance with U.S. generally accepted accounting principles.

Investment Valuation

The prices of municipal bonds in each Fund's investment portfolio are provided by a pricing service approved by the Fund's Board of Directors/Trustees. When market price quotes are not readily available (which is usually the case for municipal securities), the pricing service may establish fair value based on yields or prices of municipal bonds of comparable quality, type of issue, coupon, maturity and rating, indications of value from securities dealers, evaluations of anticipated cash flows or collateral and general market conditions. Prices of forward swap contracts are also provided by an independent pricing service approved by each Fund's Board of Directors/Trustees. Futures contracts are valued using the closing settlement price, or in the absence or such a price, at the mean of the bid and asked prices. If the pricing service is unable to supply a price for a municipal bond, forward swap or futures contract, each Fund may use market quotes provided by major broker/dealers in such investments. If it is determined that the market price for an investment or derivative instrument is unavailable or inappropriate, the Board of Directors/Trustees of the Funds, or its designee, may establish fair value in accordance with procedures established in good faith by the Board of Directors/Trustees. Temporary investments in securities that have variable rate and demand features qualifying them as short-term investments are valued at amortized cost, which approximates market value.

Investment Transactions

Investment transactions are recorded on a trade date basis. Realized gains and losses from transactions are determined on the specific identification method. Investments purchased on a when-issued/delayed delivery basis may have extended settlement periods. Any investments so purchased are subject to market fluctuation during this period. The Funds have instructed the custodian to segregate assets with a current value at least equal to the amount of the when-issued/delayed delivery purchase commitments. At February 29, 2008, there were no such outstanding purchase commitments in any of the Funds.

Investment Income

Interest income, which includes the amortization of premiums and accretion of discounts for financial reporting purposes, is recorded on an accrual basis. Investment income also includes paydown gains and losses, if any.

Income Taxes

Each Fund is a separate taxpayer for federal income tax purposes. Each Fund intends to distribute substantially all of its net investment income and net capital gains to shareholders and to otherwise comply with the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. Therefore, no federal income tax provision is required. Furthermore,

73

Notes to
FINANCIAL STATEMENTS (continued) (Unaudited)

each Fund intends to satisfy conditions which will enable interest from municipal securities, which is exempt from regular federal and designated state income taxes, to retain such tax-exempt status when distributed to shareholders of the Funds. Net realized capital gains and ordinary income distributions paid by the Funds are subject to federal taxation.

Effective February 29, 2008, the Funds adopted Financial Accounting Standards Board (FASB) Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" (FIN 48). FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. FIN 48 requires the affirmative evaluation of tax positions taken or expected to be taken in the course of preparing the Funds' tax returns to determine whether it is "more-likely-than-not" (i.e., a greater than 50-percent likelihood) of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold may result in a tax benefit or expense in the current year.

Implementation of FIN 48 required management of the Funds to analyze all open tax years, as defined by the statute of limitations, for all major jurisdictions, which includes federal and certain states. Open tax years are those that are open for examination by taxing authorities (i.e., generally the last four tax year ends and the interim tax period since then). The Funds have no examinations in progress.

For all open tax years and all major taxing jurisdictions through the end of the reporting period, management of the Funds has reviewed all tax positions taken or expected to be taken in the preparation of the Funds' tax returns and concluded the adoption of FIN 48 resulted in no impact to the Funds' net assets or results of operations as of and during the six months ended February 29, 2008.

The Funds are also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

Dividends and Distributions to Common Shareholders

Dividends from tax-exempt net investment income are declared monthly. Net

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

realized capital gains and/or market discount from investment transactions, if any, are distributed to shareholders not less frequently than annually. Furthermore, capital gains are distributed only to the extent they exceed available capital loss carryforwards.

Distributions to Common shareholders of tax-exempt net investment income, net realized capital gains and/or market discount, if any, are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles.

Preferred Shares

The Funds have issued and outstanding Preferred shares, \$25,000 stated value per share, as a means of effecting financial leverage. Each Fund's Preferred shares are issued in one or more Series. The dividend rate paid by the Funds on each Series is determined every seven days, pursuant to a dutch auction process overseen by the auction agent, and is payable at the end of each rate period. The number of Preferred shares outstanding, by Series and in total, for each Fund is as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA PREMIUM INCOME (NCU)	CALIFORNIA DIVIDEND ADVANTAGE (NAC)

Number of shares:				
Series M	--	--	1,720	--
Series T	1,800	1,900	--	--
Series TH	--	1,900	--	3,500
Series F	--	--	--	3,500

Total	1,800	3,800	1,720	7,000
=====				

74

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)	INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)

Number of shares:				
Series M	2,200	3,740	--	--
Series T	--	--	2,360	--
Series TH	--	3,740	--	1,800
Series F	2,200	--	2,360	--

Total	4,400	7,480	4,720	1,800
=====				

Insurance

During the six months ended February 29, 2008, Insured California Premium Income (NPC) and Insured California Premium Income 2 (NCL) invested only in municipal securities which were either covered by insurance or are backed by an escrow or trust account containing sufficient U.S. Government or U.S. Government agency

securities, both of which ensure the timely payment of principal and interest.

During the six months ended February 29, 2008, Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX) invested at least 80% of their net assets (including net assets attributable to Preferred shares) in municipal securities that were covered by insurance. Each Fund may have also invested up to 20% of its net assets (including net assets attributable to Preferred shares) in municipal securities which were either (i) backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, or (ii) rated, at the time of investment, within the four highest grades (Baa or BBB or better by Moody's, S&P or Fitch) or unrated but judged to be of comparable quality by Nuveen Asset Management (the "Adviser"), a wholly owned subsidiary of Nuveen Investments, Inc. ("Nuveen").

Effective March 20, 2008, pursuant to action taken by the Funds' Board of Directors/Trustees, under normal circumstances, Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX) must invest at least 80% of their net assets (including net assets attributable to Preferred shares) in municipal securities which are either covered by insurance or backed by an escrow or trust account containing sufficient U.S. Government or U.S. Government agency securities, both of which ensure the timely payment of principal and interest. For purposes of this 80% test, insurers must have a claims paying ability rated at least A at the time of purchase. In addition, each Fund must invest at least 80% of their net assets (including net assets attributable to Preferred shares) in municipal securities that are rated at least AA at the time of purchase. Each Fund may also invest up to 20% of their net assets (including net assets attributable to Preferred shares) in municipal securities rated below AA (based on the higher rating of the insurer, if any, or the underlying bond) or are unrated but judged to be of comparable quality by the Adviser.

The foregoing policy changes will be implemented in Insured California Premium Income (NPC) and Insured California Premium Income 2 (NCL) pending shareholder approval.

Each insured municipal security is covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance. Such insurance does not guarantee the market value of the municipal securities or the value of the Funds' Common shares. Original Issue Insurance and Secondary Market Insurance remain in effect as long as the municipal securities covered thereby remain outstanding and the insurer remains in business, regardless of whether the Funds ultimately dispose of such municipal securities. Consequently, the market value of the municipal securities covered by Original Issue Insurance or Secondary Market Insurance may reflect value attributable to the insurance. Portfolio Insurance, in contrast, is effective only while the municipal securities are held by the Funds. Accordingly, neither the prices used in determining the market value of the underlying municipal securities nor the Common share net asset value of the Funds include value, if any, attributable to the Portfolio Insurance. Each policy of the Portfolio Insurance does, however, give the Funds the right to obtain permanent insurance with respect to the municipal security covered by the Portfolio Insurance policy at the time of its sale.

Inverse Floating Rate Securities

Each Fund may invest in inverse floating rate securities. An inverse floating rate security is created by depositing a municipal bond, typically with a fixed interest rate, into a special purpose trust created by a broker-dealer. In turn, this trust (a) issues floating rate certificates, in face amounts equal to some fraction of the deposited bond's par amount or market value, that typically pay short-term tax-exempt interest rates to third parties, and (b) issues to a long-term investor (such as one of the Funds) an inverse floating rate certificate (sometimes referred to as an "inverse floater") that represents all

remaining or residual interest in the trust. The income received by the inverse floater holder varies inversely with the short-term rate paid to the floating rate certificates' holders, and in most circumstances the inverse floater holder bears substantially all of the underlying bond's downside investment risk and also benefits disproportionately from any potential appreciation of the underlying bond's value. The price of an inverse floating rate security will be more volatile than that of the underlying bond because the interest rate is dependent on not only the fixed coupon rate of the underlying bond but also on the short-term interest paid on the floating rate certificates, and because the inverse floating rate security essentially bears the risk of loss of the greater face value of the underlying bond.

A Fund may purchase an inverse floating rate security in a secondary market transaction without first owning the underlying bond (referred to as an "externally-deposited inverse floater"), or instead by first selling a fixed-rate bond to a broker-dealer for deposit into the special purpose trust and receiving in turn the residual interest in the trust (referred to as a "self-deposited inverse floater"). A Fund may also enter into shortfall and forbearance agreements (sometimes referred to as a "recourse trust" or "credit recovery

75

Notes to
FINANCIAL STATEMENTS (continued) (Unaudited)

swap") with a broker-dealer by which a Fund agrees to reimburse the broker-dealer, in certain circumstances, for the difference between the liquidation value of the fixed-rate bond held by the trust and the liquidation value of the floating rate certificates, as well as any shortfalls in interest cash flows. The inverse floater held by a Fund gives the Fund the right (a) to cause the holders of the floating rate certificates to tender their notes at par, and (b) to have the broker transfer the fixed-rate bond held by the trust to the Fund, thereby collapsing the trust. An investment in an externally-deposited inverse floater is identified in the Portfolio of Investments as an "Inverse floating rate investment". An investment in a self-deposited inverse floater, recourse trust or credit recovery swap is accounted for as a financing transaction in accordance with Statement of Financial Accounting Standards (SFAS) No. 140 "Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities". In such instances, a fixed-rate bond deposited into a special purpose trust is identified in the Portfolio of Investments as an "Underlying bond of an inverse floating rate trust", with the Fund accounting for the short-term floating rate certificates issued by the trust as "Floating rate obligations" on the Statement of Assets and Liabilities. In addition, the Fund reflects in Investment Income the entire earnings of the underlying bond and accounts for the related interest paid to the holders of the short-term floating rate certificates as "Interest expense on floating rate obligations" in the Statement of Operations.

During the six months ended February 29, 2008, each Fund invested in externally deposited inverse floaters and/or self-deposited inverse floaters.

The average floating rate obligations outstanding and average annual interest rate and fees related to self-deposited inverse floaters during the six months ended February 29, 2008, were as follows:

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFOR PRE IN (
Average floating rate obligations	--	\$1,480,879	\$2,352
Average annual interest rate and fees	--	3.15%	3

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INS CALIFO DIVI ADVAN (
Average floating rate obligations	\$6,171,000	\$261,429	
Average annual interest rate and fees	3.36%	3.99%	

Forward Swap Transactions

Each Fund is authorized to invest in forward interest rate swap transactions. Each Fund's use of forward interest rate swap transactions is intended to help the Fund manage its overall interest rate sensitivity, either shorter or longer, generally to more closely align the Fund's interest rate sensitivity with that of the broader municipal market. Forward interest rate swap transactions involve each Fund's agreement with a counterparty to pay, in the future, a fixed or variable rate payment in exchange for the counterparty paying the Fund a variable or fixed rate payment, the accruals for which would begin at a specified date in the future (the "effective date"). The amount of the payment obligation is based on the notional amount of the forward swap contract and the termination date of the swap (which is akin to a bond's maturity). The value of the Fund's swap commitment would increase or decrease based primarily on the extent to which long-term interest rates for bonds having a maturity of the swap's termination

date increases or decreases. The Funds may terminate a swap contract prior to the effective date, at which point a realized gain or loss is recognized. When a forward swap is terminated, it ordinarily does not involve the delivery of securities or other underlying assets or principal, but rather is settled in cash on a net basis. Each Fund intends, but is not obligated, to terminate its forward swaps before the effective date. Accordingly, the risk of loss with respect to the swap counterparty on such transactions is limited to the credit risk associated with a counterparty failing to honor its commitment to pay any realized gain to the Fund upon termination. To reduce such credit risk, all counterparties are required to pledge collateral daily (based on the daily valuation of each swap) on behalf of each Fund with a value approximately equal to the amount of any unrealized gain above a pre-determined threshold. Reciprocally, when any of the Funds have an unrealized loss on a swap contract, the Funds have instructed the custodian to pledge assets of the Funds as collateral with a value approximately equal to the amount of the unrealized loss above a pre-determined threshold. Collateral pledges are monitored and subsequently adjusted if and when the swap valuations fluctuate, either up or down, by at least the predetermined threshold amount. California Dividend

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Advantage 3 (NZH) was the only Fund to invest in forward interest rate swap transactions during the six months ended February 29, 2008.

Futures Contracts

Each Fund is authorized to invest in futures contracts. Upon entering into a futures contract, a Fund is required to deposit with the broker an amount of cash or liquid securities equal to a specified percentage of the contract amount. This is known as the "initial margin." Subsequent payments ("variation margin") are made or received by a Fund each day, depending on the daily fluctuation of the value of the contract.

During the period the futures contract is open, changes in the value of the contract are recognized as an unrealized gain or loss by "marking-to-market" on a daily basis to reflect the changes in market value of the contract. When the contract is closed or expired, a Fund records a realized gain or loss equal to the difference between the value of the contract on the closing date and value of the contract when originally entered into. Cash held by the broker to cover initial margin requirements on open futures contracts, if any, is recognized in the Statement of Assets and Liabilities. Additionally, the Statement of Assets and Liabilities reflects a receivable or payable for the variation margin when applicable. California Dividend Advantage 3 (NZH) was the only Fund to invest in futures contracts during the six months ended February 29, 2008.

Risks of investments in futures contracts include the possible adverse movement of the securities or indices underlying the contracts, the possibility that there may not be a liquid secondary market for the contracts and/or that a change in the value of the contract may not correlate with a change in the value of the underlying securities or indices.

Zero Coupon Securities

Each Fund is authorized to invest in zero coupon securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Tax-exempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. Such securities are included in the Portfolios of Investments with a 0.000% coupon rate in their description. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

Custodian Fee Credit

Each Fund has an arrangement with the custodian bank whereby certain custodian fees and expenses are reduced by net credits earned on each Fund's cash on deposit with the bank. Such deposit arrangements are an alternative to overnight investments. Credits for cash balances may be offset by charges for any days on which a Fund overdraws its account at the custodian bank.

Indemnifications

Under the Funds' organizational documents, their Officers and Directors/Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, in the normal course of business, the Funds enter into contracts that provide general indemnifications to other parties. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred. However, the Funds have not had prior claims or losses pursuant to these contracts and expect the risk of loss to be remote.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets applicable to Common shares from operations during the reporting period. Actual results may differ from those estimates.

77

Notes to
FINANCIAL STATEMENTS (continued) (Unaudited)

2. FUND SHARES

Transactions in Common shares were as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)		INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)		PREM
	SIX MONTHS ENDED 2/29/08	YEAR ENDED 8/31/07	SIX MONTHS ENDED 2/29/08	YEAR ENDED 8/31/07	SIX MO E 2/2
Common shares issued to shareholders due to reinvestment of distributions	--	4,166	--	--	
=====					
	CALIFORNIA DIVIDEND ADVANTAGE (NAC)		CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)		CAL AD
	SIX MONTHS ENDED 2/29/08	YEAR ENDED 8/31/07	SIX MONTHS ENDED 2/29/08	YEAR ENDED 8/31/07	SIX MO E 2/2
Common shares issued to shareholders due to reinvestment of distributions	--	29,993	--	6,762	
=====					
	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)				CAL A
	SIX MONTHS ENDED 2/29/08	YEAR ENDED 8/31/07	SIX MONTHS ENDED 2/29/08	YEAR ENDED 8/31/07	SIX MO E 2/2
Common shares issued to shareholders due to reinvestment of distributions	--		--	21,450	
=====					

3. INVESTMENT TRANSACTIONS

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Purchases and sales (including maturities but excluding short-term investments and derivative transactions) during the six months ended February 29, 2008, were as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA PREMIUM INCOME (NCL)
Purchases	\$5,074,263	\$20,695,318	\$2,861,000
Sales and maturities	8,120,311	21,575,086	5,404,000

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSURED CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)
Purchases	\$31,943,287	\$62,036,632	\$16,231,000
Sales and maturities	32,123,668	79,197,160	23,513,000

4. INCOME TAX INFORMATION

The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to the treatment of paydown gains and losses, timing differences in recognizing taxable market discount, timing differences in recognizing certain gains and losses on investment transactions and the treatment of investments in inverse floating rate transactions subject to SFAS No.140. To the extent that differences arise that are permanent in nature, such amounts are reclassified within the capital accounts on the Statement of Assets and Liabilities presented in the annual report, based on their federal tax basis treatment; temporary differences do not require reclassification. Temporary and permanent differences do not impact the net asset values of the Funds.

At February 29, 2008, the cost of investments was as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA PREMIUM INCOME (NCL)
Cost of investments	\$133,136,676	\$266,024,756	\$117,339,700

CALIFORNIA CALIFORNIA INSURED CALIFORNIA

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	DIVIDEND ADVANTAGE 2 (NVX)	DIVIDEND ADVANTAGE 3 (NZH)	DIVIDEND ADVANTAGE 4 (NKH)
Cost of investments	\$317,999,611	\$510,373,461	\$333,149,611

Gross unrealized appreciation and gross unrealized depreciation of investments at February 29, 2008, were as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	INSURED CALIFORNIA PREMIUM INCOME (NCO)
Gross unrealized: Appreciation	\$ 5,757,937	\$ 5,317,086	\$ 2,257,200
Depreciation	(3,970,783)	(11,345,972)	(4,797,200)
Net unrealized appreciation (depreciation) of investments	\$ 1,787,154	\$ (6,028,886)	\$ (2,539,900)

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSURED CALIFORNIA DIVIDEND ADVANTAGE 4 (NKH)
Gross unrealized: Appreciation	\$ 9,135,887	\$ 8,746,883	\$ 4,991,600
Depreciation	(14,238,418)	(27,599,009)	(11,046,700)
Net unrealized appreciation (depreciation) of investments	\$ (5,102,531)	\$ (18,852,126)	\$ (6,055,100)

Notes to
FINANCIAL STATEMENTS (continued) (Unaudited)

The tax components of undistributed net tax-exempt income, net ordinary income and net long-term capital gains at August 31, 2007, the Funds' last tax year end, were as follows:

INSURED CALIFORNIA PREMIUM INCOME	INSURED CALIFORNIA PREMIUM INCOME 2	CALIFORNIA PREMIUM INCOME 3
--	--	-----------------------------------

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	(NPC)	(NCL)	
Undistributed net tax-exempt income *	\$520,376	\$377,220	\$1
Undistributed net ordinary income **	212,281	4,534	
Undistributed net long-term capital gains	16,768	--	

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	I CALI DI ADV
--	--	--	------------------------

Undistributed net tax-exempt income *	\$268,220	\$585,805	\$2
Undistributed net ordinary income **	--	--	
Undistributed net long-term capital gains	--	--	4

* Undistributed net tax-exempt income (on a tax basis) has not been reduced for the dividend declared on August 1, 2007, paid on September 4, 2007.

** Net ordinary income consists of taxable market discount income and net short-term capital gains, if any.

The tax character of distributions paid during the Funds' last tax year ended August 31, 2007, was designated for purposes of the dividends paid deduction as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALI P
Distributions from net tax-exempt income	\$6,064,156	\$11,716,879	\$5,2
Distributions from net ordinary income **	46,600	--	
Distributions from net long-term capital gains	604,806	--	2

** Net ordinary income consists of taxable market discount income and net short-term capital gains, if any.

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	I CALI DI ADV
--	--	--	------------------------

Distributions from net tax-exempt income	\$15,011,893	\$24,913,042	\$15,8
Distributions from net ordinary income **	--	--	
Distributions from net long-term capital gains	--	--	

** Net ordinary income consists of taxable market discount income and net short-term capital gains, if any.

At August 31, 2007, the Funds' last tax year end, the following Funds had unused capital loss carryforwards available for federal income tax purposes to be applied against future capital gains, if any. If not applied, the carryforwards will expire as follows:

	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFOR DIVI ADVANTA (
Expiration year:			
2009	\$199,461	\$ --	\$
2010	440,509	--	
2011	--	--	2,816
2012	--	90,840	323
2013	--	--	
2014	--	--	
Total	\$639,970	\$90,840	\$3,140

The following Funds have elected to defer net realized losses from investments incurred from November 1, 2006 through August 31, 2007, the Funds' last tax year-end, ("post-October losses") in accordance with federal income tax regulations. Post-October losses are treated as having arisen on the first day of the current fiscal year:

	CALIFORNIA PREMIUM INCOME (NCU)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)
	\$324,473	\$1,599,933	\$63,065

Notes to
FINANCIAL STATEMENTS (continued) (Unaudited)

5. MANAGEMENT FEES AND OTHER TRANSACTIONS WITH AFFILIATES

Each Fund's management fee is separated into two components - a complex-level component, based on the aggregate amount of all fund assets managed by the Adviser, and a specific fund-level component, based only on the amount of assets within each individual Fund. This pricing structure enables Nuveen fund shareholders to benefit from growth in the assets within each individual fund as well as from growth in the amount of complex-wide assets managed by the Adviser.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

The annual fund-level fee, payable monthly, for each Fund is based upon the average daily net assets (including net assets attributable to Preferred shares) of each Fund as follows:

AVERAGE DAILY NET ASSETS (INCLUDING NET ASSETS ATTRIBUTABLE TO PREFERRED SHARES)	INSURED CALIFORNIA PREMIUM INCOME (NPC) INSURED CALIFORNIA PREMIUM INCOME 2 (NCL) CALIFORNIA PREMIUM INCOME (NCU) FUND-LEVEL FEE RATE
For the first \$125 million	.4500%
For the next \$125 million	.4375
For the next \$250 million	.4250
For the next \$500 million	.4125
For the next \$1 billion	.4000
For the next \$3 billion	.3875
For net assets over \$5 billion	.3750

AVERAGE DAILY NET ASSETS (INCLUDING NET ASSETS ATTRIBUTABLE TO PREFERRED SHARES)	CALIFORNIA DIVIDEND ADVANTAGE (NAC) CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX) CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH) INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL) INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX) FUND-LEVEL FEE RATE
For the first \$125 million	.4500%
For the next \$125 million	.4375
For the next \$250 million	.4250
For the next \$500 million	.4125
For the next \$1 billion	.4000
For net assets over \$2 billion	.3750

The annual complex-level fee, payable monthly, which is additive to the fund-level fee, for all Nuveen sponsored funds in the U.S., is based on the aggregate amount of total fund assets managed as stated in the table below. As of February 29, 2008, the complex-level fee rate was .1869%.

82

Effective August 20, 2007, the complex-level fee schedule is as follows:

COMPLEX-LEVEL ASSET BREAKPOINT LEVEL (1)	EFFECTIVE RATE AT BREAKPOINT LEVEL
\$55 billion	.2000%
\$56 billion	.1996
\$57 billion	.1989
\$60 billion	.1961
\$63 billion	.1931
\$66 billion	.1900
\$71 billion	.1851
\$76 billion	.1806
\$80 billion	.1773
\$91 billion	.1691
\$125 billion	.1599
\$200 billion	.1505
\$250 billion	.1469
\$300 billion	.1445

=====
 (1) The complex-level fee component of the management fee for the funds is calculated based upon the aggregate Managed Assets ("Managed Assets" means the average daily net assets of each fund including assets attributable to preferred stock issued by or borrowings by the Nuveen funds) of Nuveen-sponsored funds in the U.S.

The management fee compensates the Adviser for overall investment advisory and administrative services and general office facilities. The Funds pay no compensation directly to those of its Directors/Trustees who are affiliated with the Adviser or to its Officers, all of whom receive remuneration for their services to the Funds from the Adviser or its affiliates. The Board of Directors/Trustees has adopted a deferred compensation plan for independent Directors/Trustees that enables Directors/Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from certain Nuveen advised funds. Under the plan, deferred amounts are treated as though equal dollar amounts had been invested in shares of select Nuveen advised funds.

For the first ten years of California Dividend Advantage's (NAC) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts and for the time periods set forth below:

YEAR ENDING JULY 31,		YEAR ENDING JULY 31,	
1999*	.30%	2005	.25%
2000	.30	2006	.20
2001	.30	2007	.15
2002	.30	2008	.10
2003	.30	2009	.05
2004	.30		

* From the commencement of operations.

The Adviser has not agreed to reimburse California Dividend Advantage (NAC) for any portion of its fees and expenses beyond July 31, 2009.

Notes to
 FINANCIAL STATEMENTS (continued) (Unaudited)

For the first ten years of California Dividend Advantage 2's (NVX) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts and for the time periods set forth below:

YEAR ENDING MARCH 31,		YEAR ENDING MARCH 31,	
2001*	.30%	2007	.25%
2002	.30	2008	.20
2003	.30	2009	.15
2004	.30	2010	.10
2005	.30	2011	.05

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

2006 .30

=====

* From the commencement of operations.

The Adviser has not agreed to reimburse California Dividend Advantage 2 (NVX) for any portion of its fees and expenses beyond March 31, 2011.

For the first ten years of California Dividend Advantage 3's (NZH) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts and for the time periods set forth below:

YEAR ENDING SEPTEMBER 30,		YEAR ENDING SEPTEMBER 30,	
2001*	.30%	2007	.25%
2002	.30	2008	.20
2003	.30	2009	.15
2004	.30	2010	.10
2005	.30	2011	.05
2006	.30		

=====

* From the commencement of operations.

The Adviser has not agreed to reimburse California Dividend Advantage 3 (NZH) for any portion of its fees and expenses beyond September 30, 2011.

For the first ten years of Insured California Dividend Advantage's (NKL) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts and for the time periods set forth below:

YEAR ENDING MARCH 31,		YEAR ENDING MARCH 31,	
2002*	.30%	2008	.25%
2003	.30	2009	.20
2004	.30	2010	.15
2005	.30	2011	.10
2006	.30	2012	.05
2007	.30		

=====

* From the commencement of operations.

The Adviser has not agreed to reimburse Insured California Dividend Advantage (NKL) for any portion of its fees and expenses beyond March 31, 2012.

For the first eight years of Insured California Tax-Free Advantage's (NKX) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts and for the time periods set forth below:

YEAR ENDING NOVEMBER 30,		YEAR ENDING NOVEMBER 30,	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

2002*	.32%	2007	.32%
2003	.32	2008	.24
2004	.32	2009	.16
2005	.32	2010	.08
2006	.32		

=====

* From the commencement of operations.

The Adviser has not agreed to reimburse Insured California Tax-Free Advantage (NKX) for any portion of its fees and expenses beyond November 30, 2010.

Agreement and Plan of Merger

On June 20, 2007, Nuveen Investments announced that it had entered into a definitive Agreement and Plan of Merger ("Merger Agreement") with Windy City Investments, Inc. ("Windy City"), a corporation formed by investors led by Madison Dearborn Partners, LLC ("Madison Dearborn"), pursuant to which Windy City would acquire Nuveen Investments. Madison Dearborn is a private equity investment firm based in Chicago, Illinois. The merger was consummated on November 13, 2007.

The consummation of the merger was deemed to be an "assignment" (as that term is defined in the Investment Company Act of 1940) of the investment management agreement between each Fund and the Adviser, and resulted in the automatic termination of each Fund's agreement. The Board of Directors/Trustees of each Fund considered and approved a new investment management agreement with the Adviser on the same terms as the previous agreements. Each new ongoing agreement, was approved by the shareholders of each Fund and took effect on November 13, 2007.

The investors led by Madison Dearborn includes an affiliate of Merrill Lynch. As a result, Merrill Lynch is an indirect "affiliated person" (as that term is defined in the Investment Company Act of 1940) of each Fund. Certain conflicts of interest may arise as a result of such indirect affiliation. For example, the Funds are generally prohibited from entering into principal transactions with Merrill Lynch and its affiliates. The Adviser does not believe that any such prohibitions or limitations as a result of Merrill Lynch's affiliation will significantly impact the ability of the Funds to pursue their investment objectives and policies.

Notes to
FINANCIAL STATEMENTS (continued) (Unaudited)

6. NEW ACCOUNTING PRONOUNCEMENTS

Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 157, "Fair Value Measurements." This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements. SFAS No. 157 applies to fair value measurements already required or permitted by existing standards. SFAS No. 157 is effective for financial statements issued for fiscal years

beginning after November 15, 2007, and interim periods within those fiscal years. The changes to current generally accepted accounting principles from the application of this standard relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements. As of February 29, 2008, management does not believe the adoption of SFAS No. 157 will impact the financial statement amounts; however, additional disclosures may be required about the inputs used to develop the measurements and the effect of certain of the measurements included within the Statement of Operations for the period.

Financial Accounting Standards Board Statement of Financial Accounting Standards No. 161

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities." This standard is intended to enhance financial statement disclosures for derivative instruments and hedging activities and enable investors to understand: a) how and why a fund uses derivative instruments, b) how derivative instruments and related hedge items are accounted for, and c) how derivative instruments and related hedge items affect a fund's financial position, results of operations and cash flows. SFAS No. 161 is effective for financial statements issued for fiscal years beginning after November 15, 2008, and interim periods within those fiscal years. As of February 29, 2008, management does not believe the adoption of SFAS No. 161 will impact the financial statement amounts; however, additional footnote disclosures may be required about the use of derivative instruments and hedging items.

7. SUBSEQUENT EVENTS

Auction Rate Preferred Markets

Beginning in February 2008, more shares for sale were submitted in the regularly scheduled auctions for the Preferred shares issued by the Funds than there were offers to buy. This meant that these auctions "failed to clear," and that many Preferred shareholders who wanted to sell their shares in these auctions were unable to do so. Preferred shareholders unable to sell their shares received distributions at the "maximum rate" calculated in accordance with the pre-established terms of the Preferred shares.

These developments generally do not affect the management or investment policies of the Funds. However, one implication of these auction failures for Common shareholders is that the Funds' cost of leverage will be higher than it otherwise would have been had the auctions continued to be successful. As a result, the Funds' future Common share earnings may be lower than they otherwise would have been.

Distributions to Common Shareholders

The Funds declared Common share dividend distributions from their tax-exempt net investment income which were paid on April 1, 2008, to shareholders of record on March 15, 2008, as follows:

INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA PREMIUM INCOME (NCU)	CALIFORNIA DIVIDEND ADVANTAGE (NAC)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Dividend per share	\$.0605	\$.0530	\$.0535	\$.0615
=====				
	CALIFORNIA	CALIFORNIA	INSURED	INSURED
	DIVIDEND	DIVIDEND	CALIFORNIA	CALIFORNIA
	ADVANTAGE 2	ADVANTAGE 3	ADVANTAGE	TAX-FREE
	(NVX)	(NZH)	(NKL)	ADVANTAGE

Dividend per share	\$.0575	\$.0590	\$.0595	\$.0590
=====				

87

Financial
HIGHLIGHTS (Unaudited)

Selected data for a Common share outstanding throughout each period:

Investment Operations							
Beginning				Distributions	Distributions		
Common	Net	Net	Net	from Net	from		
Share	Asset	Investment	Realized/	Investment	Capital		
Net	Value	Income	Unrealized	Income to	Gains to		
Asset			Gain (Loss)	Preferred	Preferred		
Value				Share-	Share-		
				holders+	holders+	Total	ho

INSURED CALIFORNIA
PREMIUM INCOME (NPC)

Year Ended 8/31:						
2008 (b)	\$15.04	\$.47	\$ (.68)	\$ (.12)	\$--****	\$ (.33)
2007	15.58	.90	(.40)	(.21)	(.02)	.27
2006	16.21	.92	(.38)	(.18)	(.02)	.34
2005	16.23	.95	.22	(.10)	(.01)	1.06
2004	15.59	.99	.68	(.05)	--	1.62
2003	16.17	.99	(.45)	(.06)	(.01)	.47

INSURED CALIFORNIA
PREMIUM INCOME 2 (NCL)

Year Ended 8/31:						
2008 (b)	14.50	.46	(1.05)	(.13)	--	(.72)
2007	14.99	.89	(.46)	(.25)	--	.18
2006	15.33	.90	(.28)	(.20)	--	.42
2005	15.12	.91	.29	(.11)	--	1.09
2004	14.60	.96	.53	(.06)	--	1.43
2003	15.08	.99	(.51)	(.07)	--	.41

Total Returns				
Offering	Ending	Ending	Based	Based
Costs and	Common	Share	on	on
Preferred	Share	Share	Share	Share
Share	Share	Share	Share	Share

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	Underwriting Discounts	Asset Value	Market Value	Market Value*	Asset Value*
=====					
INSURED CALIFORNIA PREMIUM INCOME (NPC)					

Year Ended 8/31:					
2008 (b)	\$ --	\$14.34	\$13.48	(7.50)%	(2.27)%
2007	--	15.04	14.96	4.61	1.70
2006	--	15.58	15.08	1.00	2.23
2005	--	16.21	15.90	7.58	6.74
2004	--	16.23	15.81	11.80	10.64
2003	--	15.59	15.07	1.55	2.82
INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)					

Year Ended 8/31:					
2008 (b)	--	13.46	12.66	(5.41)	(5.11)
2007	--	14.50	13.71	1.26	1.18
2006	--	14.99	14.19	(.63)	2.91
2005	--	15.33	15.05	5.10	7.42
2004	--	15.12	15.18	12.71	10.02
2003	--	14.60	14.32	2.69	2.71
=====					

Ratios/Supplemental Data

	Ratios to Average Net Assets Applicable to Common Shares Before Credit/Reimbursement				Ratios to Applicable After Cre
	Ending Net Assets Applicable to Common Shares (000)	Expenses Including Interest++(a)	Expenses Excluding Interest++(a)	Net Investment Income++	Expenses Including Interest++(a)
		Interest++(a)	Interest++(a)	Income++	Interest++(a)

INSURED CALIFORNIA PREMIUM INCOME (NPC)					

Year Ended 8/31:					
2008 (b)	\$ 92,622	1.17%***	1.17%***	6.09%***	1.16%***
2007	97,176	1.22	1.16	5.84	1.20
2006	100,581	1.16	1.16	5.89	1.15
2005	104,510	1.14	1.14	5.85	1.13
2004	104,618	1.17	1.17	6.17	1.16
2003	100,427	1.17	1.17	6.13	1.16
INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)					

Year Ended 8/31:					
2008 (b)	171,124	1.21***	1.19***	6.30***	1.21***
2007	184,343	1.24	1.18	6.00	1.22
2006	190,571	1.20	1.20	6.05	1.19
2005	194,895	1.17	1.17	6.03	1.17
2004	192,035	1.19	1.19	6.38	1.19
2003	185,181	1.20	1.20	6.53	1.19

	Preferred Shares at End of Period			Floating Rate Obligations at End of Period	
	Aggregate Amount Outstanding (000)	Liquidation and Market Value Per Share	Asset Coverage Per Share	Aggregate Amount Outstanding (000)	Asset Coverage Per \$1,000
=====					
INSURED CALIFORNIA PREMIUM INCOME (NPC)					

Year Ended 8/31:					
2008 (b)	\$45,000	\$25,000	\$76,456	\$ --	\$ --
2007	45,000	25,000	78,987	--	--
2006	45,000	25,000	80,878	--	--
2005	45,000	25,000	83,061	--	--
2004	45,000	25,000	83,121	--	--
2003	45,000	25,000	80,793	--	--
=====					
INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)					

Year Ended 8/31:					
2008 (b)	95,000	25,000	70,033	16,845	16,798
2007	95,000	25,000	73,511	--	--
2006	95,000	25,000	75,150	--	--
2005	95,000	25,000	76,288	--	--
2004	95,000	25,000	75,535	--	--
2003	95,000	25,000	73,732	--	--
=====					

* Total Return on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

** After custodian fee credit and expense reimbursement, where applicable.

*** Annualized.

**** Distributions from Capital Gains to Preferred Shareholders rounds to less than \$.01 per share.

+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1 - Inverse Floating Rate Securities.

(b) For the six months ended February 29, 2008.

See accompanying notes to financial statements.

88-89 spread

Financial
HIGHLIGHTS (continued) (Unaudited)

Selected data for a Common share outstanding throughout each period:

Beginning Common Share Net Asset Value	Investment Operations					Total	Invest Inco C S ho
	Net Investment Income	Net Realized/ Unrealized Gain (Loss)	Distributions from Net Investment Income to Preferred Share- holders+	Distributions from Capital Gains to Preferred Share- holders+			

CALIFORNIA PREMIUM
INCOME (NCU)

Year Ended 8/31:

2008 (b)	\$14.06	\$.46	\$ (.94)	\$ (.13)	\$ --	\$ (.61)
2007	14.63	.90	(.52)	(.24)	(.01)	.13
2006	15.03	.89	(.30)	(.21)	--	.38
2005	14.51	.90	.60	(.12)	--	1.38
2004	13.66	.94	.85	(.06)	--	1.73
2003	14.42	.96	(.78)	(.07)	--	.11

CALIFORNIA DIVIDEND
ADVANTAGE (NAC)

Year Ended 8/31:

2008 (b)	14.93	.51	(1.03)	(.13)	(.01)	(.66)
2007	15.59	1.00	(.56)	(.24)	(.01)	.19
2006	15.98	1.01	(.25)	(.21)	--	.55
2005	15.59	1.04	.50	(.12)	--	1.42
2004	14.82	1.05	.76	(.06)	--	1.75
2003	15.24	1.06	(.47)	(.07)	--	.52

		Total Returns		
Offering Costs and Preferred Share Underwriting Discounts	Ending Common Share Asset Value	Ending Market Value	Based on Market Value*	Based on Common Share Net Asset Value*

CALIFORNIA PREMIUM
INCOME (NCU)

Year Ended 8/31:					
2008 (b)	\$ --	\$13.13	\$12.34	(2.93)%	(4.47)%
2007	--	14.06	13.03	(2.21)	.82
2006	--	14.63	14.01	3.14	2.72
2005	--	15.03	14.37	11.76	9.75
2004	--	14.51	13.67	12.04	12.94
2003	--	13.66	13.02	(.91)	.69

CALIFORNIA DIVIDEND
ADVANTAGE (NAC)

Year Ended 8/31:					
2008 (b)	--	13.86	13.23	(4.99)	(4.62)
2007	--	14.93	14.34	(5.19)	1.16
2006	--	15.59	15.97	5.47	3.63
2005	--	15.98	16.07	14.62	9.41
2004	--	15.59	15.00	12.07	12.11
2003	--	14.82	14.30	4.79	3.37

Ratios/Supplemental Data

	Ending Net Assets Applicable to Common Shares (000)	Ratios to Average Net Assets Applicable to Common Shares Before Credit/Reimbursement			Ratios to Average Net Assets Applicable After Credit/Reimbursement	
		Expenses Including Interest++(a)	Expenses Excluding Interest++(a)	Net Investment Income++	Expenses Including Interest++(a)	Expenses Excluding Interest++(a)
2008 (b)	\$ 75,817	1.31%***	1.21%***	6.44%***	1.30%***	1.27
2007	81,200	1.29	1.21	6.14	1.27	1.21
2006	84,467	1.23	1.23	6.09	1.21	1.20
2005	86,785	1.21	1.21	6.08	1.20	1.22
2004	83,772	1.23	1.23	6.62	1.22	1.24
2003	78,859	1.24	1.24	6.72	1.24	

CALIFORNIA PREMIUM
INCOME (NCU)

Year Ended 8/31:					
2008 (b)	\$ 75,817	1.31%***	1.21%***	6.44%***	1.30%***
2007	81,200	1.29	1.21	6.14	1.27
2006	84,467	1.23	1.23	6.09	1.21
2005	86,785	1.21	1.21	6.08	1.20
2004	83,772	1.23	1.23	6.62	1.22
2003	78,859	1.24	1.24	6.72	1.24

CALIFORNIA DIVIDEND
ADVANTAGE (NAC)

Year Ended 8/31:					
2008 (b)	325,514	1.26***	1.14***	6.60***	1.10***
2007	350,523	1.17	1.12	6.24	.94
2006	365,516	1.13	1.13	6.22	.83
2005	374,265	1.12	1.12	6.22	.75
2004	365,066	1.14	1.14	6.38	.70
2003	346,918	1.15	1.15	6.44	.70

	Preferred Shares at End of Period			Floating Rate Obligations at End of Period	
	Aggregate Amount Outstanding (000)	Liquidation and Market Value Per Share	Asset Coverage Per Share	Aggregate Amount Outstanding (000)	Asset Coverage Per \$1,000
=====					
CALIFORNIA PREMIUM INCOME (NCU)					

Year Ended 8/31:					
2008 (b)	\$ 43,000	\$25,000	\$69,079	\$ 2,352	\$51,517
2007	43,000	25,000	72,209	2,352	53,806
2006	43,000	25,000	74,109	--	--
2005	43,000	25,000	75,456	--	--
2004	43,000	25,000	73,704	--	--
2003	43,000	25,000	70,848	--	--
=====					
CALIFORNIA DIVIDEND ADVANTAGE (NAC)					

Year Ended 8/31:					
2008 (b)	175,000	25,000	71,502	41,488	13,064
2007	175,000	25,000	75,075	9,928	53,933
2006	175,000	25,000	77,217	--	--
2005	175,000	25,000	78,466	--	--
2004	175,000	25,000	77,152	--	--
2003	175,000	25,000	74,560	--	--
=====					

* Total Return on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized. Total Return on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

** After custodian fee credit and expense reimbursement, where applicable.

*** Annualized.

+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1 - Inverse Floating Rate Securities.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

(b) For the six months ended February 29, 2008.

See accompanying notes to financial statements.

90-91 spread

Financial
HIGHLIGHTS (continued) (Unaudited)

Selected data for a Common share outstanding throughout each period:

	Investment Operations						Total	Inves Inco C S ho
	Beginning Common Share Net Asset Value	Net Investment Income	Realized/ Unrealized Gain (Loss)	Distributions from Net Investment Income to Preferred Share- holders+	Distributions from Capital Gains to Preferred Share- holders+			
CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)								
Year Ended 8/31:								
2008 (b)	\$14.69	\$.50	\$ (.79)	\$ (.13)	\$ --	\$ (.42)		
2007	15.36	.96	(.62)	(.25)	--	.09		
2006	15.63	.97	(.19)	(.21)	--	.57		
2005	14.97	.98	.71	(.12)	--	1.57		
2004	14.18	.99	.77	(.06)	--	1.70		
2003	14.79	1.00	(.62)	(.07)	--	.31		
CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)								
Year Ended 8/31:								
2008 (b)	14.25	.51	(1.23)	(.14)	--	(.86)		
2007	15.03	.98	(.73)	(.27)	--	(.02)		
2006	15.31	.97	(.20)	(.22)	--	.55		
2005	14.65	.97	.68	(.13)	--	1.52		
2004	13.72	.98	.88	(.07)	--	1.79		
2003	14.33	.98	(.66)	(.08)	--	.24		

	Offering Costs and Preferred Share Underwriting Discounts	Ending Common Share Asset Value	Ending Market Value	Total Returns	
				Based on Market Value*	Based on Common Share Net Asset Value*
CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)					
Year Ended 8/31:					

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

2008 (b)	\$ --	\$13.92	\$12.85	(3.96)%	(2.93)%
2007	--	14.69	13.73	(3.39)	.46
2006	--	15.36	14.95	4.19	3.82
2005	--	15.63	15.19	14.98	10.80
2004	--	14.97	14.08	13.60	12.11
2003	--	14.18	13.24	(.95)	2.16

CALIFORNIA DIVIDEND
ADVANTAGE 3 (NZH)

Year Ended 8/31:					
2008 (b)	--	13.04	12.40	(5.79)	(6.12)
2007	--	14.25	13.52	(4.12)	(.32)
2006	--	15.03	14.84	8.50	3.81
2005	--	15.31	14.49	15.75	10.69
2004	--	14.65	13.33	11.97	13.36
2003	.01	13.72	12.71	(3.20)	1.68

Ratios/Supplemental Data

	Ratios to Average Net Assets Applicable to Common Shares Before Credit/Reimbursement			Ratios to Applicable After Cred	
	Ending Net Assets Applicable to Common Shares (000)	Expenses Including Interest++ (a)	Expenses Excluding Interest++ (a)	Net Investment Income++	Expenses Including Interest++ (a)

CALIFORNIA DIVIDEND
ADVANTAGE 2 (NVX)

Year Ended 8/31:					
2008 (b)	\$206,042	1.26%***	1.16%***	6.41%***	.95%***
2007	217,332	1.25	1.17	5.97	.89
2006	227,160	1.16	1.16	5.94	.73
2005	231,140	1.16	1.16	5.94	.70
2004	221,395	1.18	1.18	6.24	.72
2003	209,722	1.18	1.18	6.30	.73

CALIFORNIA DIVIDEND
ADVANTAGE 3 (NZH)

Year Ended 8/31:					
2008 (b)	314,714	1.18***	1.17***	6.78***	.84***
2007	343,806	1.22	1.16	6.16	.81
2006	362,473	1.16	1.16	6.08	.70
2005	369,262	1.17	1.17	6.05	.70
2004	353,360	1.20	1.20	6.32	.73
2003	330,829	1.20	1.20	6.33	.73

Preferred Shares at End of Period			Floating Rate Obligations at End of Period	
Aggregate Amount Outstanding	Liquidation and Market Value	Asset Coverage	Aggregate Amount Outstanding	Asset Coverage

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

	(000)	Per Share	Per Share	(000)	Per \$1,000
=====					
CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)					

Year Ended 8/31:					
2008 (b)	\$110,000	\$25,000	\$71,828	\$6,171	\$52,214
2007	110,000	25,000	74,394	6,171	54,044
2006	110,000	25,000	76,627	--	--
2005	110,000	25,000	77,532	--	--
2004	110,000	25,000	75,317	--	--
2003	110,000	25,000	72,664	--	--

CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)					

Year Ended 8/31:					
2008 (b)	187,000	25,000	67,074	--	--
2007	187,000	25,000	70,963	7,930	67,936
2006	187,000	25,000	73,459	--	--
2005	187,000	25,000	74,367	--	--
2004	187,000	25,000	72,241	--	--
2003	187,000	25,000	69,229	--	--
=====					

* Total Return on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

** After custodian fee credit and expense reimbursement, where applicable.

*** Annualized.

+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1 - Inverse Floating Rate Securities.

(b) For the six months ended February 29, 2008.

See accompanying notes to financial statements.

92-93 spread

Financial
HIGHLIGHTS (continued) (Unaudited)

Selected data for a Common share outstanding throughout each period:

Beginning Common Share Net Asset Value	Net Investment Income	Net Realized/ Unrealized Gain (Loss)	Investment Operations		Total	Inves Inco C S ho
			Distributions from Net Investment Income to Preferred Share- holders+	Distributions from Capital Gains to Preferred Share- holders+		

INSURED CALIFORNIA
DIVIDEND ADVANTAGE (NKL)

Year Ended 8/31:

2008 (c)	\$14.91	\$.51	\$ (1.02)	\$ (.14)	\$ (.01)	\$ (.66)
2007	15.50	1.01	(.57)	(.26)	--*	.18
2006	15.81	1.01	(.25)	(.22)	--	.54
2005	15.35	1.01	.52	(.12)	--	1.41
2004	14.60	1.02	.84	(.06)	(.01)	1.79
2003	15.14	.99	(.49)	(.07)	(.01)	.42

INSURED CALIFORNIA
TAX-FREE ADVANTAGE (NKX)

Year Ended 8/31:

2008 (c)	14.47	.49	(.86)	(.12)	--	(.49)
2007	14.92	.96	(.46)	(.24)	--	.26
2006	15.17	.95	(.25)	(.21)	--	.49
2005	14.62	.96	.57	(.13)	--	1.40
2004	13.79	.96	.84	(.06)	--	1.74
2003 (b)	14.33	.64	(.33)	(.04)	--	.27

Offering Costs and Preferred Share Underwriting Discounts	Ending Common Share Asset Value	Ending Market Value	Total Returns	
			Based on Market Value**	Based on Common Share Net Asset Value**

INSURED CALIFORNIA
DIVIDEND ADVANTAGE (NKL)

Year Ended 8/31:

2008 (c)	\$ --	\$13.87	\$13.21	(4.67)%	(4.58)%
2007	--	14.91	14.24	(4.64)	1.13
2006	--	15.50	15.70	10.72	3.62
2005	--	15.81	15.00	9.00	9.46
2004	--	15.35	14.67	12.54	12.53

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

2003 -- 14.60 14.00 (.35) 2.70

INSURED CALIFORNIA
TAX-FREE ADVANTAGE (NKX)

Year Ended 8/31:

2008 (c)	--	13.63	13.59	(3.73)	(3.50)
2007	--	14.47	14.47	6.35	1.69
2006	--	14.92	14.27	4.56	3.43
2005	--	15.17	14.38	7.46	9.84
2004	--	14.62	14.19	11.54	12.86
2003 (b)	(.21)	13.79	13.56	(5.79)	.34

Ratios/Supplemental Data

	Ending Net Assets Applicable to Common Shares (000)	Ratios to Average Net Assets Applicable to Common Shares Before Credit/Reimbursement			Ratios to Average Net Assets Applicable to Common Shares After Credit/Reimbursement	
		Expenses Including Interest++ (a)	Expenses Excluding Interest++ (a)	Net Investment Income++	Expenses Including Interest++ (a)	Net Investment Income++

INSURED CALIFORNIA
DIVIDEND ADVANTAGE
(NKL)

Year Ended 8/31:

2008 (c)	\$212,072	1.18%****	1.18%****	6.38%****	.79%****
2007	227,923	1.21	1.16	6.12	.78
2006	236,525	1.17	1.17	6.12	.71
2005	241,254	1.16	1.16	6.06	.71
2004	234,186	1.18	1.18	6.28	.72
2003	222,751	1.18	1.18	6.00	.72

INSURED CALIFORNIA
TAX-FREE ADVANTAGE
(NKX)

Year Ended 8/31:

2008 (c)	80,250	1.23****	1.23****	6.15****	.78****
2007	85,144	1.27	1.21	5.95	.77
2006	87,775	1.22	1.22	5.97	.73
2005	89,272	1.21	1.21	5.95	.73
2004	86,008	1.23	1.23	6.17	.73
2003 (b)	81,141	1.14****	1.14****	5.25****	.67****

Preferred Shares at End of Period			Floating Rate Obligations at End of Period		
Aggregate Amount Outstanding (000)	Liquidation and Market Value Per Share	Asset Coverage Per Share	Aggregate Amount Outstanding (000)	Asset Coverage Per \$1,000	

INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

Year Ended 8/31:					
2008 (c)	\$118,000	\$25,000	\$69,931	\$ --	\$ --
2007	118,000	25,000	73,289	--	--
2006	118,000	25,000	75,111	--	--
2005	118,000	25,000	76,113	--	--
2004	118,000	25,000	74,616	--	--
2003	118,000	25,000	72,193	--	--

INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)

Year Ended 8/31:					
2008 (c)	45,000	25,000	69,583	--	--
2007	45,000	25,000	72,302	--	--
2006	45,000	25,000	73,764	--	--
2005	45,000	25,000	74,595	--	--
2004	45,000	25,000	72,782	--	--
2003 (b)	45,000	25,000	70,078	--	--

* Distributions from Capital Gains to Preferred Shareholders and Capital Gains to Common Shareholders round to less than \$.01 per share.

** Total Return on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized. Total Return on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

*** After custodian fee credit and expense reimbursement, where applicable.

**** Annualized.

+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1 - Inverse Floating Rate Securities.

(b) For the period November 21, 2002 (commencement of operations) through August 31, 2003. (c) For the six months ended February 29, 2008. See accompanying notes to financial statements.

94-95 spread

Reinvest Automatically
EASILY and CONVENIENTLY

NUVEEN MAKES REINVESTING EASY. A PHONE CALL IS ALL IT TAKES TO SET UP YOUR REINVESTMENT ACCOUNT.

NUVEEN CLOSED-END FUNDS DIVIDEND REINVESTMENT PLAN

Your Nuveen Closed-End Fund allows you to conveniently reinvest dividends and/or capital gains distributions in additional Fund shares.

By choosing to reinvest, you'll be able to invest money regularly and automatically, and watch your investment grow through the power of tax-free compounding. Just like dividends or distributions in cash, there may be times when income or capital gains taxes may be payable on dividends or distributions that are reinvested.

It is important to note that an automatic reinvestment plan does not ensure a profit, nor does it protect you against loss in a declining market.

EASY AND CONVENIENT

To make recordkeeping easy and convenient, each month you'll receive a statement showing your total dividends and distributions, the date of investment, the shares acquired and the price per share, and the total number of shares you own.

HOW SHARES ARE PURCHASED

The shares you acquire by reinvesting will either be purchased on the open market or newly issued by the Fund. If the shares are trading at or above net asset value at the time of valuation, the Fund will issue new shares at the greater of the net asset value or 95% of the then-current market price. If the shares are trading at less than net asset value, shares for your account will be purchased on the open market. If the Plan Agent begins purchasing Fund shares on the open market while shares are trading below net asset value, but the Fund's shares subsequently trade at or above their net asset value before the Plan Agent is able to complete its purchases, the Plan Agent may cease open-market purchases and may invest the uninvested portion of the distribution in newly-issued Fund shares at a price equal to the greater of the shares' net asset value or 95% of the shares' market value on the last business day immediately prior to the purchase date. Dividends and distributions received to purchase shares in the open market will normally be invested shortly after the dividend payment date. No interest will be paid on dividends and distributions awaiting reinvestment. Because the market price of the shares may increase before purchases are completed, the average purchase price per share may exceed the market price at the time of valuation, resulting in the acquisition of fewer shares than if the dividend or distribution had been paid in shares issued by the Fund. A pro rata portion of any applicable brokerage commissions on open market purchases will be paid by Plan participants. These commissions usually will be lower than those charged on individual transactions.

96

FLEXIBLE

You may change your distribution option or withdraw from the Plan at any time, should your needs or situation change. Should you withdraw, you can receive a certificate for all whole shares credited to your reinvestment account and cash payment for fractional shares, or cash payment for all reinvestment account shares, less brokerage commissions and a \$2.50 service fee.

You can reinvest whether your shares are registered in your name, or in the name of a brokerage firm, bank, or other nominee. Ask your investment advisor if his or her firm will participate on your behalf. Participants whose shares are registered in the name of one firm may not be able to transfer the shares to another firm and continue to participate in the Plan.

The Fund reserves the right to amend or terminate the Plan at any time. Although the Fund reserves the right to amend the Plan to include a service charge payable by the participants, there is no direct service charge to participants in the Plan at this time.

CALL TODAY TO START REINVESTING DIVIDENDS AND/OR DISTRIBUTIONS

For more information on the Nuveen Automatic Reinvestment Plan or to enroll in or withdraw from the Plan, speak with your financial advisor or call us at (800) 257-8787.

97

Glossary of TERMS USED in this REPORT

- o **AUCTION RATE BOND:** An auction rate bond is a security whose interest payments are adjusted periodically through an auction process, which process typically also serves as a means for buying and selling the bond. Auctions that fail to attract enough buyers for all the shares offered for sale are deemed to have "failed", with current holders receiving a formula-based interest rate until the next scheduled auction.
- o **AVERAGE ANNUAL TOTAL RETURN:** This is a commonly used method to express an investment's performance over a particular, usually multi-year time period. It expresses the return that would have been necessary each year to equal the investment's actual cumulative performance (including change in NAV or market price and reinvested dividends and capital gains distributions, if any) over the time period being considered.
- o **AVERAGE EFFECTIVE MATURITY:** The average of the number of years to maturity of the bonds in a Fund's portfolio, computed by weighting each bond's time to maturity (the date the security comes due) by the market value of the security. This figure does not account for the likelihood of prepayments or the exercise of call provisions unless an escrow account has been established to redeem the bond before maturity. The market value weighting for an investment in an inverse floating rate security is the value of the portfolio's residual interest in the inverse floating rate trust, and does not include the value of the floating rate securities issued by the trust.
- o **INVERSE FLOATERS:** Inverse floating rate securities are created by depositing a municipal bond, typically with a fixed interest rate, into a special purpose trust created by a broker-dealer. This trust, in turn, (a) issues floating rate certificates typically paying short-term tax-exempt interest rates to third parties in amounts equal to some fraction of the deposited bond's par amount or market value, and (b) issues an inverse

floating rate certificate (sometimes referred to as an "inverse floater") to an investor (such as a Fund) interested in gaining investment exposure to a long-term municipal bond. The income received by the holder of the inverse floater varies inversely with the short-term rate paid to the floating rate certificates' holders, and in most circumstances the holder of the inverse floater bears substantially all of the underlying bond's downside investment risk. The holder of the inverse floater typically also benefits disproportionately from any potential appreciation of the underlying bond's value. Hence, an inverse floater essentially represents an investment in the underlying bond on a leveraged basis.

- o LEVERAGE-ADJUSTED DURATION: Duration is a measure of the expected period over which a bond's principal and interest will be paid, and consequently is a measure of the sensitivity of a bond's or bond Fund's value to changes when market interest rates change. Generally, the longer a bond's or Fund's duration, the more the price of the bond or Fund will change as interest rates change. Leverage-adjusted duration takes into account the leveraging process for a Fund and therefore is longer than the duration of the Fund's portfolio of bonds.
- o MARKET YIELD (ALSO KNOWN AS DIVIDEND YIELD OR CURRENT YIELD): An investment's current annualized dividend divided by its current market price.
- o NET ASSET VALUE (NAV): A Fund's common share NAV per share is calculated by subtracting the liabilities of the Fund (including any Preferred shares issued in order to leverage the Fund) from its total assets and then dividing the remainder by the number of shares outstanding. Fund NAVs are calculated at the end of each business day.
- o TAXABLE-EQUIVALENT YIELD: The yield necessary from a fully taxable investment to equal, on an after-tax basis, the yield of a municipal bond investment.
- o ZERO COUPON BOND: A zero coupon bond does not pay a regular interest coupon to its holders during the life of the bond. Tax-exempt income to the holder of the bond comes from accretion of the difference between the original purchase price of the bond at issuance and the par value of the bond at maturity and is effectively paid at maturity. The market prices of zero coupon bonds generally are more volatile than the market prices of bonds that pay interest periodically.

Other Useful INFORMATION

QUARTERLY PORTFOLIO OF INVESTMENTS AND PROXY VOTING INFORMATION

You may obtain (i) each Fund's quarterly portfolio of investments, (ii) information regarding how the Funds voted proxies relating to portfolio securities held during the twelve-month period ended June 30, 2007, and (iii) a description of the policies and procedures that the Funds used to determine how to vote proxies relating to portfolio securities without charge, upon request, by calling Nuveen Investments toll-free at (800) 257-8787 or on Nuveen's website at www.nuveen.com.

You may also obtain this and other Fund information directly from the Securities and Exchange Commission ("SEC"). The SEC may charge a copying fee for this information. Visit the SEC on-line at <http://www.sec.gov> or in person at the

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

SEC's Public Reference Room in Washington, D.C. Call the SEC at (202) 942-8090 for room hours and operation. You may also request Fund information by sending an e-mail request to publicinfo@sec.gov or by writing to the SEC's Public References Section at 100 F Street NE, Washington, D.C. 20549.

CEO CERTIFICATION DISCLOSURE

Each Fund's Chief Executive Officer has submitted to the New York Stock Exchange the annual CEO certification as required by Section 303A.12(a) of the NYSE Listed Company Manual.

Each Fund has filed with the Securities and Exchange Commission the certification of its Chief Executive Officer and Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act.

BOARD OF DIRECTORS/TRUSTEES

Robert P. Bremner
Jack B. Evans
William C. Hunter
David J. Kundert
William J. Schneider
Timothy R. Schwertfeger
Judith M. Stockdale
Carole E. Stone

FUND MANAGER

Nuveen Asset Management
333 West Wacker Drive
Chicago, IL 60606

CUSTODIAN

State Street Bank & Trust Company
Boston, MA

TRANSFER AGENT AND SHAREHOLDER SERVICES

State Street Bank & Trust Company
Nuveen Funds
P.O. Box 43071
Providence, RI 02940-3071
(800) 257-8787

LEGAL COUNSEL

Chapman and Cutler LLP
Chicago, IL

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP
Chicago, IL

Each Fund intends to repurchase shares of its own common or preferred stock in the future at such times and in such amounts as is deemed advisable. No common or preferred shares were repurchased during the period covered by this report. Any future repurchases will be reported to shareholders in the next annual or semi-annual report.

Nuveen Investments:

SERVING INVESTORS FOR GENERATIONS

Since 1898, financial advisors and their clients have relied on Nuveen Investments to provide dependable investment solutions. For the past century, Nuveen Investments has adhered to the belief that the best approach to investing is to apply conservative risk-management principles to help minimize volatility. Building on this tradition, we today offer a range of high quality equity and fixed-income solutions that are integral to a well-diversified core portfolio. Our clients have come to appreciate this diversity, as well as our continued adherence to proven, long-term investing principles.

We offer many different investing solutions for our clients' different needs.

Managing \$164 billion in assets, as of December 31, 2007, Nuveen Investments offers access to a number of different asset classes and investing solutions through a variety of products. Nuveen Investments markets its capabilities under six distinct brands: Nuveen, a leader in fixed-income investments; NWQ, a leader in value-style equities; Rittenhouse, a leader in growth-style equities; Symphony, a leading institutional manager of market-neutral alternative investment portfolios; Santa Barbara, a leader in growth equities; and Tradewinds, a leader in global equities.

Find out how we can help you reach your financial goals.

To learn more about the products and services Nuveen Investments offers, talk to your financial advisor, or call us at (800) 257-8787. Please read the information provided carefully before you invest. Be sure to obtain a prospectus, where applicable. Investors should consider the investment objective and policies, risk considerations, charges and expenses of the Fund carefully before investing. The prospectus contains this and other information relevant to an investment in the Fund. For a prospectus, please contact your securities representative or Nuveen Investments, 333 W. Wacker Dr., Chicago, IL 60606. Please read the prospectus carefully before you invest or send money.

Learn more about Nuveen Funds at:

www.nuveen.com/etf

Share prices
Fund details
Daily financial news
Investor education
Interactive planning tools

ESA-B-0208D

ITEM 2. CODE OF ETHICS.

Not applicable to this filing.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable to this filing.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable to this filing.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable to this filing.

ITEM 6. SCHEDULE OF INVESTMENTS.

See Portfolio of Investments in Item 1.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

There have been no material changes to the procedures by which shareholders may recommend nominees to the registrant's Board implemented after the registrant last provided disclosure in response to this Item.

ITEM 11. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

File the exhibits listed below as part of this Form.

(a)(1) Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy the Item 2 requirements through filing of an exhibit: Not applicable to this filing.

(a)(2) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)) in the exact form set forth below: See Ex-99.CERT attached hereto.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSRS

(a)(3) Any written solicitation to purchase securities under Rule 23c-1 under the 1940 Act (17 CFR 270.23c-1) sent or given during the period covered by the report by or on behalf of the registrant to 10 or more persons: Not applicable.

(b) If the report is filed under Section 13(a) or 15(d) of the Exchange Act, provide the certifications required by Rule 30a-2(b) under the 1940 Act (17 CFR 270.30a-2(b)); Rule 13a-14(b) or Rule 15d-14(b) under the Exchange Act (17 CFR 240.13a-14(b) or 240.15d-14(b)), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350) as an exhibit. A certification furnished pursuant to this paragraph will not be deemed "filed" for purposes of Section 18 of the Exchange Act (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference: See Ex-99.906 CERT attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) Nuveen California Dividend Advantage Municipal Fund 2

By (Signature and Title) /s/ Kevin J. McCarthy

Kevin J. McCarthy
(Vice President and Secretary)

Date: May 8, 2008

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ Gifford R. Zimmerman

Gifford R. Zimmerman
Chief Administrative Officer
(principal executive officer)

Date: May 8, 2008

By (Signature and Title) /s/ Stephen D. Foy

Stephen D. Foy
Vice President and Controller
(principal financial officer)

Date: May 8, 2008
