CALAMOS INVESTMENTS

Phineus Long/Short Fund Third Quarter Report

OVERVIEW

The fund seeks strong risk-adjusted and absolute returns across the global equity universe. The fund uses a global long/short strategy to invest in publicly listed equity securities.

KEY FEATURES

- » Fundamental global approach blends top-down and bottom-up considerations
- » Flexible asset allocation allows for all investment styles, market caps and geographic regions depending on the market environment
- » Comprehensive approach assesses stock, industry, style, country and market factors
- » Knowledge-based industry concentration includes technology, communications, media, financials and health care

PORTFOLIO FIT

The fund seeks to provide strong risk-adjusted returns via an alternative solution that complements and diversifies a global or U.S. equity allocation.

FUND TICKER SYMBOLS

A Shares	C Shares	I Shares
CPLSX	CPCLX	CPLIX

The offering price for Class I shares is the NAV per share with no initial sales charge. There are no contingent deferred sales charges or distribution or service fees with respect to Class I shares. The minimum initial investment required to purchase each Fund's Class I shares is $1 million. Class I shares are offered primarily for direct investment by investors through certain tax-exempt retirement plans (including 401(k) plans, 457 plans, employer-sponsored 403(b) plans, profit sharing and money purchase pension plans, defined benefit plans and non-qualified deferred compensation plans) and by institutional clients, provided such plans or clients have assets of at least $1 million. Class I shares may also be offered to certain other entities or programs, including, but not limited to, investment companies, under certain circumstances.

Key Drivers of Performance

»Financials, our largest sector bias, contributed positive returns. The Fed's unwinding of a $4.5 trillion portfolio of government securities off its balance sheet, coupled with rising interest rates, will revitalize lending by banks. These monetary actions combined with the potential for reduced regulations and lower U.S. taxes set the stage for gains in our financials holdings.

»Reflationary stocks once again served as major contributors to performance in 3Q17, as technology, which represents our second-largest sector holding, added to gains in the S&P 500 Index during the quarter. The advancement of the sector is consistent with continued improvement in business and investor optimism as the notion of tax reform by year-end gained credibility.

»In Europe, the economic recovery remains intact and much of the nervous sentiment that characterized the market earlier this year has dissipated. The strong performance in Q3 reflects faster earnings growth, a weaker U.S. dollar and easy global monetary policies. Range-bound energy prices and a continued weakening U.S. dollar have supported growth in emerging markets. However, EM gains were largely offset by our short position in China, which was detrimental as the Chinese marketplace improved slightly during the quarter.

»Lower energy prices and a weakening U.S. dollar have continued to support strong economic growth in emerging markets. With this being the case, our net overall short position was partly to blame for the negative performance attributable to the region for the quarter.

»Our consumer staples hedge proved beneficial; the sector traded off for the quarter, as investors recycled into more reflationary investments. Our health care hedges detracted from quarterly performance as the sector made a comeback, spurred by the ACA impasse.

Market Overview

Equity markets continued to advance, inspired by hopes for tax reform, increased fiscal spending, continued corporate earnings growth and lesser regulation. With the emergence of a rally in the global equity markets, there is finally evidence of synchronous growth throughout the world. For example, the rotation back into reflation stocks this quarter suggests that the synergies of synchronous global growth are real. Much of the market's reaction is based on some fulfillment of the Trump Agenda, although fundamental valuations and growth expectations offer valid opportunities in and of themselves. Corporate managements continue to appear inspired by the prospect of a more pro-growth, less regulatory setting. Markets typically do not sell off dramatically in periods of cautious optimism, which appears to sum up the current environment. Increased GDP growth may be dampened by the damage of major hurricanes. However, the markets do not appear to be heavily influenced by that possibility.

Overseas markets benefited from a lower U.S. dollar, stabile energy prices, increased political certainty in Europe and growth in emerging markets. With a shrinking shadow of euro zone instability, equity markets improved, supported by high consumer and business confidence levels, as companies start to show broad-based earnings growth. This has helped the European equity markets emerge and remain competitive with the U.S. in 2017.

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FUND HOLDINGS – CONTRIBUTORS

FIRM NAME	% OF FUND	FIRM PROFILE	ANALYSIS
Radian Group (RDN).	2.70% Long	U.S. Financial Services Company	Radian, the second-largest provider of private mortgage insurance in the U.S., rose 11% in the third quarter as the mortgage insurance market remained favorable due to a healthy housing market and higher-than expected mortgage prepayment activity. Low unemployment and recovering households also remain supportive. The pricing outlook is benign due to consolidation among private mortgage insurers and suspension of price cuts by the FHA. Radian should also be a full beneficiary of tax reform and reduced federal regulation in the U.S. While the stock has recovered much of its losses in April and risk/reward is perhaps more balanced now, we see 15-20% upside potential and are maintaining our position.
PayPal Holdings (PYPL)	2.91% Long	U.S. Information Technology Company	PayPal rose almost 30% during the quarter after posting strong Q2 earnings. The rollout of the consumer choice program, following revised partnerships with Visa and MasterCard, continues to provide a tailwind and PayPal remains in the early stage of monetizing its peer-to-peer mobile payment offering Venmo. PayPal's large user base and volume lead in online checkout appear defensible and support confidence in 20%+ earnings growth for several more years. While expectations are now fairly high, we expect PayPal to maintain a premium multiple similar to Visa and MasterCard as long as execution remains solid.

FUND HOLDINGS – DETRACTORS

FIRM NAME	% OF FUND	FIRM PROFILE	ANALYSIS
Allergan PLC (AGN)	2.41% Long	U.S. Pharmaceutical Company	Allergan was among the weaker healthcare names in the third quarter, declining 15% due to a combination of concerns over Restasis patents not holding up and worries that Phase 2 drug readouts might disappoint. The bigger picture concern is that management is trying to pivot from an acquisition-based growth strategy to one more focused on internal R&D. The stock trades at 12x forward earnings and arguably assigns no value to the drug pipeline. We think there is significant potential for the stock to rerate should upcoming readouts prove favorable, with upside potentially as high as 50%.
Spirit Airlines Inc. (SAVE)	1.56% Long	U.S. Industrials Company	Our thesis that Spirit would benefit from an improved price umbrella following the major carriers rolling out Basic Economy was hamstrung by United's decision to aggressively go after Spirit by lowering fares in a few select markets including Chicago and Houston. As a result, management lowered its third quarter TRASM forecast and full-year earnings estimates reset 20% lower. The stock responded by falling 40% and now trades at 11x reduced 2018 numbers, too cheap in our view given Spirit's low cost structure and industry-leading margins. Lack of progress on a new labor agreement with pilots adds to the uncertainty but potentially represents a positive catalyst should a resolution occur in the next quarter or two.

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Positioning

The portfolio is positioned to benefit from what we anticipate will be a long reflation cycle. Accordingly, our largest long exposures are financials and select cyclicals. While many of these names performed well in 2016 and YTD 2017, we suspect they have entered a multi-year upcycle. More broadly, we emphasize companies where the valuation frameworks are clear, supported by healthy free cash flow and earnings potential in a sustained economic expansion. Our investment in airlines is an example of a cyclical industry where valuations are modest due to end-of-cycle fears, while sustained or improving economic conditions could prove lucrative for these companies. In addition, we have made selective investments in the technology and consumer discretionary sectors, which we regard as the natural destination for monies that flow away from the bond proxies.

We maintain long positions in more growth-oriented companies that rely on building product pipelines, as opposed to increasing prices. The fund maintains a short hedge in consumer staples and certain large pharmaceutical health care companies. We believe these industries will eventually succumb to overvaluation pressures as investor phobia of deflation eases. These "bond proxies," which performed strongly over the past five years, are unlikely to regain their former leadership status. Outside the U.S., the fund is slightly net long Europe. We recently reduced our exposure to Europe and took profits, as our thesis for cyclical improvement following political events earlier in the year resulted in outperformance by the euro zone indices in 2017 YTD. We remain bullish on the economic prospects of the region, though the sustained recovery is now widely understood. We are assessing for opportunistic points for re-entry.

Emerging economies faced a multi-year workout but have moved past the worst, and now are being generally embraced by the market. The emergence of Trump's trade policies implies some risk to the growth models for these economies in the longer term, and China is particularly vulnerable to ongoing deceleration of its growth outlook. That said, we have recently reduced a short position on China over concerns related to short-terms vs. longer-term growth sustainability. Nonetheless, we see selective opportunities in emerging economies and intend to add to our long exposure there.

NET EXPOSURE (LONG - SHORT)

	SECTOR WEIGHTINGS AS OF 9/30/17	OVER/UNDERWEIGHT VS. MSCI WORLD INDEX	QUARTER TO QUARTER CHANGE
Financials	33.5	15.4	1.0
Information Technology	18.7	2.4	1.9
Consumer Discretionary	12.5	0.4	3.3
Industrials	8.3	-3.3	1.6
Health Care	6.9	-5.4	3.1
Real Estate	2.0	-1.2	0.0
Materials	1.5	-3.5	1.2
Energy	0.7	-5.6	0.0
Utilities	0.0	-3.1	0.0
Telecom Services	0.0	-2.9	0.0
Consumer Staples	-1.4	-10.5	0.0

Sector weightings, which are subject to change daily, are calculated as a percentage of Net Assets. The table excludes cash or cash equivalents, and any government / sovereign bonds the portfolio may hold. Exchange traded funds and index options are included in the Other category. You can obtain a complete listing of holdings by visiting www.calamos.com.

Outlook

The recent failure to repeal and replace the Affordable Care Act underscores that the Republican majority in Congress is far from united on many key issues. However, the markets do reflect optimism at quarter end as Congress attempts to address tax reform for both individuals and corporations. This may be an easier hill to climb relative to previous initiatives attempted. Regardless, the outcome of the political wrangling will remain front and center for investors. Through all the political noise, it seems clear that both U.S. consumers and businesses are significantly more positive about their future economic prospects than they were this time last year. This may serve as a catalyst for sustained rotation into equities, as the fear of deflation gradually gives way to reflation confidence.

After many months of disappointing readings, headline CPI showed signs of inflationary pressures. The U.S. labor market has continued to show strength, adding jobs for the previous three months through August. The unemployment rate finished the quarter at 4.4% while the participation rate climbed 0.2% to 62.9%.

Global central banks remain highly accommodative and this is a key positive. As long as the Federal Reserve raises rates slowly, we do not see Fed policy disrupting the ongoing U.S. expansion. As we often note, Chair Yellen intends to let labor markets "run hot" to drive stronger capital spending and productivity. This aligns with Trump's plans for a pro-job economic expansion and, thus,

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we regard U.S. payroll reports and wage growth in particular as key for sentiment. The important conclusion is that rate hikes by the Fed in 2017 are not aimed at hindering the growth outlook, and Fed reduction of the balance sheet may stimulate bank lending.

We continue to believe markets are in the early stages of anticipating improving global GDP through the final months of 2017 into 2018, supported by ongoing U.S. expansion, European cyclical recovery and stabilization in select emerging economies. Stability in the U.S. Dollar and oil prices has lessened fears of an imminent default cycle. More generally, 2017 is shaping up to be the first year of many when the major economic blocs move along a more synchronized path, which implies investors should increasingly look abroad for cyclical opportunity.

Risk of a bear market in the final quarter of 2017 into early 2018 is low, primarily because the odds of U.S. recession appears modest until late 2018 at the earliest. While the expansion is moving into its ninth year, its lack of fundamental progress in areas such as wage growth, capacity utilization and capital spending suggests that it is more mid-cycle than late cycle in nature. Although there are many uncertainties on the political side, politics are combining with the business cycle to underpin the longevity of the current U.S. expansion.

Trump's pro-growth policies have arrived at a moment when the long global deleveraging cycle was nearing its end. This wave of debt crises—which began in the U.S. in 2008, reached its nadir in Europe in 2012 and swept through the emerging economies in recent year—has created the conditions for a long global expansion. In this sense, fate favors many of Trump's proposals including his "responsible nationalism" on trade, taxes and immigration. Both in the U.S. and increasingly in Europe, the political establishment is supportive of fiscal initiatives, which implies the limits of monetary policy have been acknowledged.

AVERAGE ANNUAL RETURNS

	YTD	1-YEAR	3-YEAR	5-YEAR	10-YEAR	SINCE INCEPTION (5/1/02)
Calamos Phineus Long/Short Fund						
I shares – at NAV	6.88%	18.48%	8.14%	9.82%	9.26%	11.73%
A shares – at NAV	6.72	18.23	7.86	9.53	8.99	11.44
A shares – Load adjusted	1.64	12.58	6.11	8.48	8.46	11.08
MSCI World Index	16.53	18.83	8.30	11.62	4.81	7.49
S&P 500 Index	14.24	18.61	10.81	14.23	7.44	7.85
HFRI Equity Hedge Index	9.61	10.98	4.60	6.29	2.90	5.25
Morningstar Long/Short Equity Category	7.46	9.24	3.57	5.71	4.12	2.66

Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. You can obtain performance data current to the most recent month end by visiting www.calamos.com.

The principal value and return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance reflected at NAV does not include the Fund's maximum front-end sales load of 4.75%. Had it been included, the Fund's return would have been lower. For the most recent month-end fund performance information visit www.calamos.com.

The performance shown for periods prior to 4/5/16 is the performance of a predecessor investment vehicle (the "Predecessor Fund"). Returns for periods greater than 12 months are annualized. Calendar year returns measure net investment income and capital gain or loss from portfolio investments for each period specified. Average annual total return measures net investment income and capital gain or loss from portfolio investments as an annualized average. All performance shown assumes reinvestment of dividends and capital gains distributions. In calculating net investment income, all applicable fees and expenses are deducted from the returns. The Fund also offers C shares, the performance of which may vary. As of the prospectus dated 2/28/17, the Fund's gross expense ratio for Class A shares is 4.29% and Class I shares is 4.29%. The Fund's investment advisor has contractually agreed to reimburse Fund expenses through 3/31/19, to the extent necessary so that Total Annual Fund Operating Expenses (excluding taxes, interest, short interest, short dividend expenses, brokerage commissions, acquired fund fees and expenses, and extraordinary or non-routine expenses, if any) of Class A and Class I shares are limited to 2.00% and 1.75% of average net assets, respectively.

For more information, please visit www.calamos.com or contact us at 800.582.6959.

IMPORTANT PERFORMANCE STATEMENT

The performance shown for periods prior to 4/5/16 is the performance of a predecessor investment vehicle (the "Predecessor Fund"). The Predecessor Fund was reorganized into the Fund on 4/5/16, the date upon which the Fund commenced operations. On 10/1/15 the parent company of Calamos Advisors, purchased Phineus Partners LP, the prior investment adviser to the Predecessor Fund ("Phineus"), and Calamos Advisors served as the Predecessor Fund's investment adviser between 10/1/15 until it was reorganized into the Fund. Phineus and Calamos Advisors managed the Predecessor Fund using investment policies, objectives, guidelines and restrictions that were in all material respects equivalent to those of the Fund. Phineus and Calamos Advisors managed the Predecessor Fund in this manner either directly or indirectly by investing all of the Predecessor Fund's assets in a master fund structure. The Predecessor Fund performance information has been adjusted to reflect Class A and I shares expenses. However, the Predecessor Fund was not a registered mutual fund and thus was not subject to the same investment and tax restrictions as the Fund. If it had been, the Predecessor Fund's performance may have been lower. Portfolios are managed according to their respective strategies which may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of the benchmark(s). Portfolio performance, characteristics and volatility may differ from the benchmark(s) shown.

NOTES

The **S&P 500 Index** is generally considered representative of the U.S. stock market. The **HFRI Equity Hedge Index** consists of funds where portfolio managers maintain long and short positions in primarily equity and derivative securities. The **Morningstar Long/ Short Equity Category** funds take a net long stock position, meaning the total market risk from the long positions is not completely offset by the market risk of the short positions. Total return, therefore, is a combination of the return from market exposure (beta) plus any value-added from stock-pickingor market-timing (alpha). The **MSCI World Index** is a market capitalization weighted index composed of companies representative of the market structure of developed market countries in North America, Europe and Asia/Pacific region. Unmanaged index returns assume reinvestment of any and all distributions and, unlike fund returns, do not reflect fees, expenses or sales charges. Investors cannot invest directly in an index. Gross exposure is calculated by adding the total value of the long and short positions. Net exposure is calculated by subtracting the value of the short positions from the long positions. For funds that takes idiosyncratic risk (i.e., stock specific) on both long and short positions, gross exposure can be a valuable depiction of investments at risk in addition to net exposure (market risk).

Important Risk Information. An investment in the Fund is subject to risks, and you could lose money on your investment in the Fund. There can be no assurance that the Fund will achieve its investment objective. Your investment in the Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. The risks associated with an investment in the Fund can increase during times of significant market volatility. The Fund also has specific principal risks, which are described below. More detailed information regarding these risks can be found in the Fund's prospectus.

The principal risks of investing in the Calamos Phineus Long/Short Fund include: equity securities risk consisting of market prices declining in general, short sale risk consisting of the potential for unlimited losses, leverage risk, and foreign securities risk.

As a result of political or economic instability in foreign countries, there can be special risks associated with investing in foreign securities, including fluctuations in currency exchange rarates, increased price volatility and difficulty obtaining information. In addition, emerging markets may present additional risk due to the potential for greater economic and political instability in less-developed countries.

Before investing carefully consider the fund's investment objectives, risks, charges and expenses. Please see the prospectus and summary prospectus containing this and other information or call 1-800-582-6959. Read it carefully before investing.

CALAMOS® INVESTMENTS

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