# Convertible Opportunities and Income Fund (CHI)

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### **FUND HIGHLIGHTS**

- » Current annualized distribution rate of 9.07%
- » Designed to provide enhanced fixed income
- » Managed by an experienced team
- » Closed-end fund portfolio includes a mix of convertible and high yield bonds
- » Designed to complement the income portion of an investor's asset allocation
- » Seeks to be less susceptible to rising interest rates than traditional fixed income funds
- » Dividend Reinvestment Plan available

### **FUND SNAPSHOT**

NASDAQ ticker	CHI
NAV Ticker	XCHIX
Market Price	\$12.57
NAV	\$12.79
Current Annualized Distribution Rate <sup>1</sup>	9.07%
IPO Date	6/26/02
IPO Price	\$15.00
IPO NAV	\$14.32

### **LISTED**

NASDAQ

### **INVESTMENT TEAM**

Global Co-Chief Investment Officers John P. Calamos, Sr., and Gary D. Black lead an integrated team of experienced investment professionals.

the end of the fiscal year

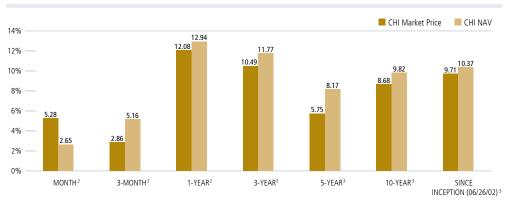
### **Fund Objective**

The Fund seeks total return through a combination of capital appreciation and current income by investing in a diversified portfolio of convertible securities and below-investment-grade (high yield) fixed income securities.

### Investor Profile

This Fund's enhanced fixed income strategy spans the credit quality range and uses a variety of debt instruments to achieve its objective. The strategy provides an alternative to investment-grade fixed income instruments. Offering potential capital appreciation while seeking to deliver an attractive stable monthly distribution, the Fund may be suitable for investors who are focused on long-term total return and are looking for dynamic asset allocation to maintain a consistent risk/reward balance throughout the market cycle.

### PERFORMANCE



<sup>&</sup>lt;sup>2</sup> Total return measures net investment income and capital gain or loss from portfolio investments, assuming reinvestment of income and capital gain

### CALENDAR VEAR RETURNS

CALLINDA	T I EARL ILE	OILIVS								
YTD 2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Market Price	9									
5.28%	16.30%	-6.33%	17.27%	65.78%	-34.71%	-20.37%	14.19%	7.04%	14.06%	47.49%
NAV										
2.65	14.55	1.87	15.37	67.39	-38.83	3.32	13.00	2.94	12.74	38.29

Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. 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.

You can purchase or sell common shares daily. Like any other stock, market price will fluctuate with the market. Upon sale, your shares may have a market price that is above or below net asset value and may be worth more or less than your original investment. Shares of closed-end funds frequently trade at a discount which is a market price that is below their net asset value. Please refer to back page for important notes.

Current Annualized Distribution Rate is the Fund's distribution, expressed as an annualized percentage of the Fund's current market price per share. Under the Fund's level rate distribution policy, distributions paid to common shareholders typically include net investment income and net realized short-term Investment income and net realized short-term capital gains. When the net investment income and net realized short-term capital gains are not sufficient, a portion of the level rate distribution will be a return of capital. In additional a limited number of distributions per calendar year may include net realized long-term capital gains. Distributions are subject to re-characterization for tax purposes after the end of the fiscal year.

<sup>&</sup>lt;sup>3</sup> Average annual return measures net investment income and capital gain or loss from portfolio investments as an annualized average, assuming reinvestment of income and capital gain distributions.

### Calamos Convertible Opportunities and Income Fund (CHI)

### **SECTOR WEIGHTINGS\*#**

Consumer Discretionary	18.3%
Energy	17.6
Information Technology	14.2
Industrials	13.5
Health Care	11.2
Financials	8.9
Materials	5.0
Consumer Staples	3.2
Utilities	2.8
Telecommunication Services	1.4

### PORTFOLIO ASSET ALLOCATION'

Corporate Bonds	56.2%
Convertible Bonds	17.2
Convertible Preferred Stock	13.3
Synthetic Convertibles	8.5
Common Stock	1.3
Sovereign Bonds	0.7
US Government Securities	0.3
Cash and Receivables/Payables	2.5

#### **FUND DATA**

Managed Assets	\$1,164,260,614
Total Common Share Assets	\$864,260,614
Shares Outstanding	67,547,533
Average Daily Volume (month)	209,965
Total Percent Leveraged <sup>4</sup>	25.22%
Debt Coverage Ratio	388%
Leverage Assets	\$300,000,000
Debt Leverage	\$300,000,000
Average Portfolio Turnover	59.8%
Expense Ratio (based on managed assets)	1.11%

### **TOP 10 HOLDINGS\***#

United Technologies Corp.	7.50% Cv Pfd	2.0%
Liberty Media Corp. (Time Warner, Inc.)	3.13% Cv Due 2023	2.0
Affiliated Managers Group, Inc.	5.15% Cv Pfd	1.5
Chesapeake Energy Corp.	5.75% Cv Pfd	1.4
Mentor Graphics Corp.	4.00% Cv Due 2031	1.4
Gilead Sciences, Inc.	1.63% Cv Due 2016	1.3
NextEra Energy, Inc.	5.60% Cv Pfd	1.3
SanDisk Corp.	1.50% Cv Due 2017	1.3
General Motors Company	4.75% Cv Pfd	1.2
Apache Corp.	6.00% Cv Pfd	1.1

SECURITY TYPE

#### **FUND PRICING**

Market Price	\$12.57
NAV	\$12.79
Premium/Discount	-1.72%

FEES AND EXPENSES	TOTAL FUND
Management Fees	0.80%
Debt Leverage Expense <sup>6</sup>	0.25
Other Expenses	0.06
Total	1.11

### INTEREST RATE SWAP MATURITY CHARACTERISTICS

MATURITY	NOTIONAL AMOUNT	% OF TOTAL SWAP	SWAP RATE
04/19/2017	\$55,000,000	31.00%	1.16%
04/14/2014	\$80,000,000	46.00%	2.43%
03/14/2017	\$40,000,000	23.00%	1.14%

### **OUALITY ALLOCATION<sup>55</sup>**

AAA	0.4%
AA	0.0
Α	3.7
BBB	13.9
BB	50.3
В	26.5
CCC and below	0.5
Unrated Securities	4.7

### **DISTRIBUTION HISTORY, LAST 12 MONTHS**

DATE PAID	PER SHARE
2/2013	\$0.09500
1/2013	0.09500
12/2012	0.09500
11/2012	0.09500
10/2012	0.09500
9/2012	0.09500
8/2012	0.09500
7/2012	0.09500
6/2012	0.09500
5/2012	0.09500
4/2012	0.09500
3/2012	0.09500

The portfolio is actively managed. Holdings and weightings are subject to change at any time without notice.

- \* Data is based on managed assets.
- ^ Data is based on portfolio holdings.
- # Top 10 Holdings and Sector Weightings are calculated as a percentage of Managed Assets. The tables exclude cash or cash equivalents, any government/sovereign bonds or broad based index hedging securities the portfolio may hold.
- <sup>4</sup> Leverage creates risks which may adversely affect return, including the likelihood of greater volatility of net asset value and market price of common shares; and fluctuations in the variable rates of the leverage financing. The ratio is the percent of borrowing to total assets.
- <sup>5</sup> Bond Credit Quality reflects the higher of the ratings of Standard & Poor's Corporation; Moody's Investors Service, Inc. or Fitch, Inc. Ratings are relative, subjective and not absolute standards of quality, represent the opinions of the independent Nationally Recognized Statistical Rating Organizations (NRSRO), and are adjusted to the Standard & Poor's scale shown. Ratings are measured using a scale that typically ranges from AAA (highest) to D (lowest). In addition, CAL has assigned its own ranking to the "unrated bonds" based on its fundamental and proprietary

investment process and has years of experience actively managing risk. The security's credit rating does not eliminate risk. The table excludes equity securities, cash and cash equivalents. For more information about securities ratings, please see the Fund's Statement of Additional Information at www.calamos.com. Additional information on ratings methodologies are available by visiting the NRSRO websites: www.standardandpoors.com, www.moodys.com, and www.fitchratings.com.

<sup>6</sup> Interest expense and related fees on payments made to the Fund's outstanding credit facility.

Investments by the Fund in lower-rated securities involve substantial risk of loss and present greater risks than investments in higher rated securities, including less liquidity and increased price sensitivity to changing interest rates and to a deteriorating economic environment. Fixed income securities are subject to interest-rate risk; as interest rates go up, the value of debt securities in the Fund's portfolio generally will decline. There are certain risks associated with an investment in a convertible bond such as default risk—that the company issuing a convertible security may be unable to repay principal and interest—and interest rate risk—that the convertible may decrease in value if interest rates increase.

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