

# Strategic Total Return Fund (CSQ)

# CALAMOS®

## FUND HIGHLIGHTS

- » Closed-end fund portfolio with a mix of equities, convertible bonds and high yield bonds
- » Current annualized distribution rate of 8.08%<sup>1</sup>
- » Designed to complement the equity portion of an investor's asset allocation
- » Dividend Reinvestment Plan available
- » Managed by an experienced team

## FUND SNAPSHOT

NASDAQ ticker	CSQ
NAV Ticker	XCSQX
Market Price	\$10.40
NAV	\$11.00
Current Annualized Distribution Rate <sup>1</sup>	8.08%
IPO Date	3/26/04
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.

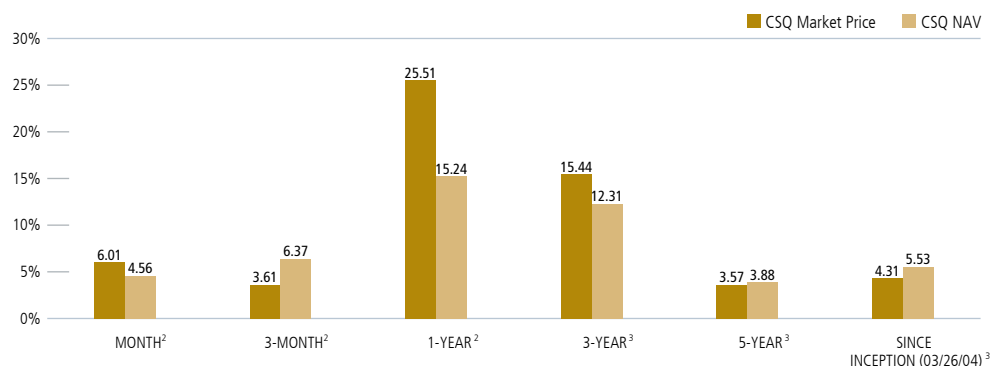
## Fund Objective

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

## Investor Profile

The Fund seeks to offer investors equity participation and an attractive monthly distribution. By combining equities, convertible bonds and higher yielding corporate securities, the Fund has the capacity to generate capital gains as well as income, taking advantage of its flexibility to manage risk and reward over the full course of a market cycle. In effect, the Fund seeks to participate in long-term upward trends of the equity markets but with the added benefit—and potential downside protection—of a stable monthly distribution.

## PERFORMANCE



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

<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.

## CALENDAR YEAR RETURNS

	YTD 2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Market Price</b>	6.01%	27.86%	-3.46%	13.71%	55.60%	-49.36%	-2.75%	25.45%	3.92%
<b>NAV</b>	4.56	16.00	-1.15	14.98	47.26	-44.57	3.73	20.28	2.42

<sup>1</sup> 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 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 addition 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.

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.

## Calamos Strategic Total Return Fund (CSQ)

## SECTOR WEIGHTINGS\*\*

Information Technology	20.0%
Energy	16.3
Health Care	11.9
Industrials	11.7
Consumer Discretionary	11.5
Financials	9.3
Consumer Staples	6.7
Materials	4.3
Telecommunication Services	4.0
Utilities	2.0

## TOP 10 HOLDINGS\*\*

	SECURITY TYPE	
Pfizer, Inc.	Common Stock	3.9%
General Electric Company	Common Stock	3.0
Merck & Company, Inc.	Common Stock	2.8
Coca-Cola Company	Common Stock	2.6
QUALCOMM, Inc.	Common Stock	2.5
SAP, AG	Common Stock	2.2
Apple, Inc.	Common Stock	2.1
JPMorgan Chase & Company	Common Stock	2.0
AT&T, Inc.	Common Stock	1.8
Microsoft Corp.	Common Stock	1.7

## INTEREST RATE SWAP MATURITY CHARACTERISTICS

MATURITY	NOTIONAL AMOUNT	% OF TOTAL SWAP	SWAP RATE
06/12/2017	\$47,000,000	14.00%	1.01%
03/09/2014	\$90,000,000	28.00%	2.53%
06/09/2014	\$60,000,000	19.00%	3.35%
07/03/2014	\$75,000,000	23.00%	2.97%
07/05/2017	\$52,000,000	16.00%	0.93%

## PORTFOLIO ASSET ALLOCATION\*

Common Stock	56.5%
Corporate Bonds	29.4
Convertible Preferred Stock	5.7
Convertible Bonds	4.8
Sovereign Bonds	1.0
Synthetic Convertibles	0.8
US Government Securities	0.6
Warrants	0.1
Cash and Receivables/Payables	1.1

## SECURITY TYPE

QUALITY ALLOCATION<sup>5</sup>

AAA	1.5%
AA	0.0
A	1.9
BBB	17.8
BB	49.1
B	27.4
CCC and below	0.7
Unrated Securities	1.6

## FUND DATA

Managed Assets	\$2,305,222,812
Total Common Share Assets	\$1,699,222,812
Shares Outstanding	154,514,000
Average Daily Volume (month)	415,007
Total Percent Leveraged <sup>4</sup>	25.67%
Debt Coverage Ratio	380%
Leverage Assets	\$606,000,000
Debt Leverage	\$606,000,000
Average Portfolio Turnover	51.7%
Expense Ratio (based on managed assets)	1.34%

## FUND PRICING

Market Price	\$10.40
NAV	\$11.00
Premium/Discount	-5.45%

## FEES AND EXPENSES

	TOTAL FUND
Management Fees	1.00%
Debt Leverage Expense <sup>6</sup>	0.29
Other Expenses	0.05
Total	1.34

## DISTRIBUTION HISTORY, LAST 12 MONTHS

DATE PAID	PER SHARE
2/2013	\$0.07000
1/2013	0.07000
12/2012	0.07000
11/2012	0.07000
10/2012	0.07000
9/2012	0.07000
8/2012	0.07000
7/2012	0.07000
6/2012	0.07000
5/2012	0.07000
4/2012	0.07000
3/2012	0.07000

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.

<sup>8</sup> 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](http://www.calamos.com). Additional information on ratings methodologies are available by visiting the NRSRO websites: [www.standardandpoors.com](http://www.standardandpoors.com), [www.moodys.com](http://www.moodys.com), and [www.fitchratings.com](http://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.

CALAMOS®

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