High Income Strategy



PORTFOLIO MANAGEMENT

» Jeremy Hughes, CFA, Co-Portfolio Manager

The team leverages the insights and analysis of the Calamos Investment Committee, as well as dedicated research, risk management, trading and portfolio specialist team support.

CALAMOS PROFILE

- » Multi-disciplined, global asset manager
- » Headquartered in Chicago-metro area, offices in New York, San Francisco and London
- » Founded in 1977, publicly listed, family/employee owned
- » AUM[^] of U.S. \$20.1 billion
- » Institutional Assets[†] of U.S. \$7.2 billion
- » 337 employees*, 69 investment professionals
- ^ Total AUM excludes assets under advisement of \$478 million for which the company provides model portfolio design and oversight.
- † Institutional Assets include institutional share classes of open-end funds as well as assets managed for institutions.
- * Information as of 6/30/2016. Total represents full-time employees of the operating subsidiaries of Calamos Asset Management, Inc. Part-time employees and consultants are excluded.

The Calamos High Income strategy is a higher quality, high yield strategy that invests in mid-grade credits of corporate issuers, based predominantly in the U.S. The strategy employs our rigorous, capital structure research process to identify attractive investment candidates, and to manage risk throughout all phases of the credit and economic cycles. The strategy seeks to generate an attractive yield, with a secondary emphasis on generating capital appreciation.

Key Differentiators

- » In-depth capital structure research to evaluate issuers holistically
- » Broader opportunity set including non-U.S. and non-U.S. dollar issues, and convertible securities
- » Total return orientation
- » Team approach to management

Calamos Investment Process

Calamos uses proprietary credit ratings to assess the financial soundness of issuers under consideration. This core competency enables us to identify attractive issues and to filter out distressed securities. By removing lower-scoring securities, we increase the likelihood of principal protection within the portfolio. Using both quantitative and fundamental analysis, we focus on high yield corporate and convertible bonds that exhibit (or show catalysts for) improving economic values, decreasing balance sheet risk, and good access to capital. Fundamental analysis establishes a range of expected returns for the underlying equity, which helps develop the risk/reward profile for the position. Portfolio construction and risk management oversight ensure a well diversified portfolio.

SECURITY RESEARCH » Credit analysis **PORTFOLIO** ONGOING Eliminate impaired credits INVESTMENT CONSTRUCTION ···· PORTFOLIO ·· MONITORING/ » Uncover improving business CANDIDATES CONSIDERATIONS **RISK MANAGEMENT** Business valuation » Scenario analysis » Evaluate security return **CONSISTENCY WITH** • Risk/Reward analysis . » Risk/reward TOP-DOWN PERSPECTIVE » Attribution analysis ... DIVERSIFICATION » Liquidity analysis » Portfolio characteristics » Themes » Guideline compliance » Sectors » Countries » Number of holdings » Position size

Calamos High Income Strategy

CHARACTERISTICS

	REPRESENTATIVE PORTFOLIO	BofA ML BB-B U.S. HIGH YIELD CONSTRAINED INDEX
Assets in Strategy	\$2.3 billion	N/A
# of Holdings	131	1,812
Portfolio Turnover (12 month)	% 49.7%	N/A
Current Yield	6.5%	6.4%
Time to Maturity	6.2 Years	7.6 Years
Duration	4.8 Years	4.9 Years
Average Credit Quality ¹	BB-/B+	BB-
Yield to Maturity	7.0%	6.3%

[^] Strategy AUM reflects all assets that are currently being managed (collectively) under the Calamos High Income Strategy

SINCE INCEPTION RISK/REWARD STATISTICS*

	CALAMOS HIGH INCOME COMPOSITE	BofA ML BB-B U.S. HIGH YIELD CONSTRAINED INDEX
Alpha	1.09%	N/A
Beta	0.96	1.00
Standard Deviation	8.76%	8.46%
Upside Semivariance	3.77%	3.47%
Downside Semivarian	ce 2.99%	2.79%
Sharpe Ratio	0.65	0.58
Information Ratio	0.25	N/A

^{*} All risk-adjusted statistics are relative to the BofA ML BB-B High Yield Constrained Index on an annualized basis, versus the Calamos High Income Composite. Past performance is no guarantee of future results. Source: Mellon Analytical Solutions, LLC and Calamos Advisors LLC

SECTOR ALLOCATION[‡]

SECTOR	REPRESENTATIVE PORTFOLIO %	BofA ML BB-B U.S. HIGH YIELD CONSTRAINED INDEX	UNDER/OVERWEIGHT %
Consumer Discretionary	23.9	20.2	3.7%
Industrials	12.8	10.8	2.0
Health Care	12.2	8.3	3.9
Information Technology	10.1	5.7	4.4
Energy	9.5	13.1	-3.6
Materials	9.4	10.0	-0.6
Financials	9.4	11.7	-2.3
Telecom Services	8.6	12.0	-3.4
Consumer Staples	2.8	4.5	-1.7
Utilities	1.3	3.7	-2.4

[‡] Sector weightings exclude any government/sovereign bonds or options on broad market indexes the portfolio may hold.

REPRESENTATIVE PORTFOLIO TEN LARGEST HOLDINGS†

REPRESENTATIVE PORTFOLIO TEN LARGEST HOLDINGS				
COMPANY	SECTOR	SECURITY TYPE	PORTFOLIO WEIGHTING	
Sprint Corp.	Telecom Services	7.25% Corp Bond Due 2021	1.9%	
Oshkosh Corp.	Industrials	5.38% Corp Bond Due 2025	1.4	
Cardtronics, Inc.	Information Technology	5.13% Corp Bond Due 2022	1.3	
ExamWorks Group, Inc.	Health Care	5.63% Corp Bond Due 2023	1.3	
Equinix, Inc.	Financials	5.38% Corp Bond Due 2023	1.3	
Chemtura Corp.	Materials	5.75% Corp Bond Due 2021	1.3	
ESH Hospitality, Inc.	Consumer Discretionary	5.25% Corp Bond Due 2025	1.2	
Alliance Data Systems Corp.	Information Technology	5.38% Corp Bond Due 2022	1.2	
Toll Brothers Finance Corp.	Consumer Discretionary	5.63% Corp Bond Due 2024	1.2	
Match Group, Inc.	Information Technology	6.38% Corp Bond Due 2024	1.2	

[†] The information provided should not be considered a recommendation to purchase or sell any security. There is no assurance that any securities presented herein will remain in the portfolio at the time you receive information or that securities sold have not been repurchased. The securities discussed do not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any securities transactions or holdings presented were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities presented herein. Ten Largest Holdings exclude any government/sovereign bonds or options on broad market indexes the portfolio may hold.

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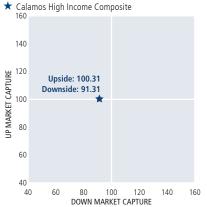
QUALITY ALLOCATION¹

	REPRESENTATIVE PORTFOLIO %	BB-B U.S. HIGH YIELD CONSTRAINED INDEX
AAA	0.0	0.0%
AA	0.0	0.0
Α	0.0	0.0
BBB	4.9	8.0
ВВ	53.5	56.7
В	32.6	35.0
CCC and below	9.0	0.3
Unrated Securities	0.0	0.0

¹ Bond Ratings & Weighted Average Credit Quality-Reflects information from nationally recognized rating agencies including Standard & Poor's Corporation; Moody's Investors Service, Inc.; National Association of Insurance Commissioners (NAIC) as well as Calamos' proprietary credit scores and are adjusted to the scale shown. Ratings are relative, subjective and not absolute standards of quality. Securities with multiple ratings may reflect the most or least conservative ratings and nonrated securities receive a proprietary rating as permitted by investment guidelines. Excludes equity securities and cash.

SINCE INCEPTION UP/DOWN CAPTURE VS. BOFA ML BB-B U.S. HIGH YIELD CONSTRAINED INDEX

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Source: eVESTMENT ALLIANCE and Calamos Advisors LLC

Calamos High Income Strategy

ANNUALIZED TOTAL RETURNS										
	1-YEAR		3-YEAR	5-YEAR		10-YEAR		15-YEAR	SINCE INCEPTION (11/99)	
Calamos High Income Composite (gross of fees)	-1.51%		3.18%	4.87%		6.26%		7.51%	7.49%	
Calamos High Income Composite (net of fees)	-2.25		2.42	4.11		5.49		6.72	6.70	
BofA ML BB-B High Yield Constrained Index	2.13		4.61	5.86		7.06		7.33	6.67	
Credit Suisse High Yield Index	1.03		3.92		5.63	7.15		7.98	7.24	
CALENDAR YEAR RETURNS	YTD 2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Calamos High Income Composite (gross of fees)	5.27%	-3.52%	2.10%	7.34%	12.55%	5.49%	12.35%	48.33%	-26.28%	5.61%
Calamos High Income Composite (net of fees)	4.88	-4.24	1.37	6.55	11.74	4.73	11.52	47.28	-26.85	4.83
BofA ML BB-B High Yield Constrained Index	7.89	-2.79	3.49	6.30	14.58	5.40	14.25	46.06	-23.31	3.18
Credit Suisse High Yield Index	9.30	-4.86	1.91	7.52	14.72	5.51	14.42	54.22	-26.17	2.65

Calamos High Income Strategy

Past performance does not guarantee or indicate 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.

The results portrayed on the preceding pages are for the Calamos High Income Composite. Representative holdings and portfolio characteristics are specific only to the portfolio shown at that point in time. Other portfolios will vary in composition, characteristics, and will experience different investment results. The representative portfolio shown has been selected by the advisor based on account characteristics that the advisor feels accurately represents the investment strategy as a whole.

The Calamos High Income Composite is an actively managed composite investing in high yield fixed-income securities, primarily with credit ratings lower than investment grade. The composite includes all fully discretionary, fee-paying accounts. All returns are net of commission and other similar fees charged on securities transactions and include reinvestment of net realized gains and interest.

Fees include the investment advisory fee charge by Calamos Advisors LLC. Returns greater than 12 months are annualized. Chart Data Sources: Mellon Analytical Solutions, LLC and Calamos Advisors LLC.

The Credit Suisse High Yield Index consists of U.S. dollar-denominated high yield issues of developed countries, Issues must be publicly registered in the U.S. or issued under Rule 144A with registration rights, must be rated "BB+" or lower, and the minimum amount outstanding (par value) must be at least \$75 Million. The BofA ML BB-B U.S. High Yield Constrained Index contains all securities in The BofA Merrill Lynch U.S. High Yield Index rated BA1 through B3, based on an average of Moody's, S&P and Fitch, but caps issuer exposure at 2%. Index constituents are capitalization-weighted, based on their current amount outstanding, provided the total allocation to an individual issuer does not exceed 2%. Unmanaged index returns assume reinvestment of any and all distributions and do not reflect any fees, expenses or sales charges. Investors cannot invest directly in an index.

The information in this report should not be considered a recommendation to purchase or sell any particular security.

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entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings.

Calamos Advisors LLC is a federally registered investment advisor. Form ADV Part 2A, which provides background information about the firm and its business practices, is available upon written request to:

Calamos Advisors LLC 2020 Calamos Court Naperville, IL 60563-2787 Attn: Compliance Officer



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