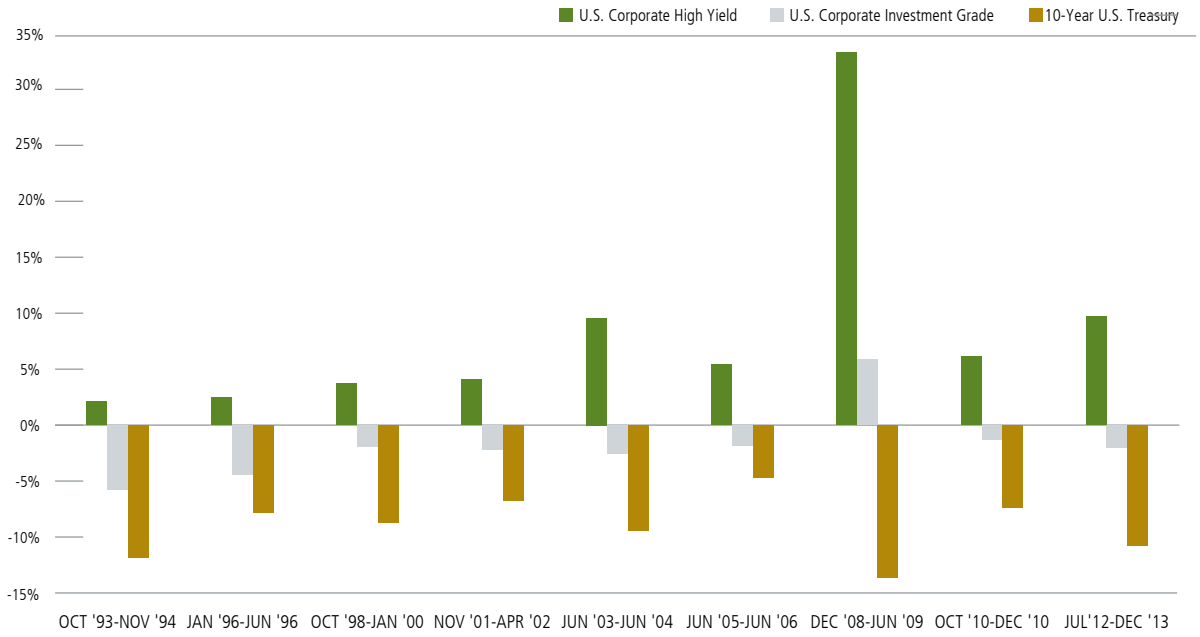
Calamos Global High Income Fund: Preparing Your Bond Portfolio for Rising Rates

CALAMOS®

High Yield Outperformed When Rates Rose

BOND RETURNS

In periods where interest rates rose more than 100 basis points, high yield bonds outperformed investment grade and government bonds.



Interest Rate Move (bps)	287	154	263	125	176	136	189	134	159
U.S. Corporate High Yield Bonds	2.25%	2.44%	4.86%	4.09%	9.65%	5.87%	33.28%	5.10%	14.56%
U.S. Corporate IG Bonds	-6.14	-4.42	-2.47	-2.21	-2.57	-1.95	5.87	-3.21	0.80
10-Year U.S. Treasury	-12.55	-7.82	-11.17	-6.77	-9.48	-5.00	-13.59	-9.93	-10.63

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

Source: Morningstar and Bloomberg

Data as of 31/12/13 Rising rate environment periods from troughs to peak from October 1993 to December 2013.

The bonds represented in the above chart have varying price risk, which generally is higher for issuers that are more likely to default. U.S. Treasurys are backed by the U.S. government and have a very low probability of default. U.S. corporate investment grade bonds, represented by the BofA Merrill Lynch U.S. Corporate Master Index, are securities that have a higher probability of default than the U.S. government given the higher probability of corporate bankruptcy. High yield bonds, represented by the BofA Merrill Lynch U.S. High Yield Master II Index, are issued by corporate issuers that have lower credit ratings than investment-grade issuers and therefore are considered more likely to default.

This document does not constitute an offer or solicitation to invest in the Fund. It is directed only at professional/sophisticated investors and it is for their use and information. This document should not be shown or given to retail investors. Any entity responsible for forwarding this material to other parties takes responsibility for ensuring compliance with the financial promotion rules.

RATES CAN RISE QUICKLY

While interest rates are at record lows for now, the bond market can turn surprisingly quickly if inflation starts to take hold, especially in this era of significant government intervention in the U.S. economy. Economic recovery also may spur higher rates.

HIGH YIELD BONDS HAVE OUTPERFORMED

Since 1993, high yield bonds have had positive returns, compared to investment-grade and government bonds, in every period when the 10-year Treasury yield has increased by more than 100 basis points (1 percentage point).

PREPARE YOUR BOND ALLOCATION

The Barclays U.S. Aggregate Bond Index holds approximately 78% of government and mortgage securities which are more negatively sensitive to rising rates. Selectively chosen high yield bonds may be a strong complement to investment-grade portfolios.

Calamos Global High Income Fund: Preparing Your Bond Portfolio for Rising Rates

A Fund with a Credit-Quality Focus

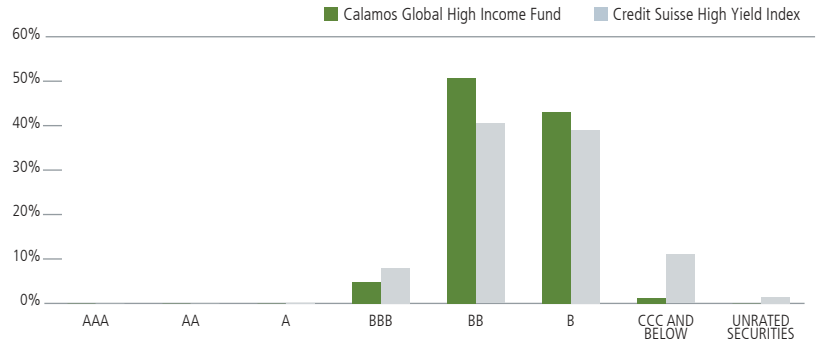
The Global High Income Fund, with a current yield of 6.4%, may complement an investment-grade portfolio to produce higher yield. We invest dynamically across credit quality through active sector positioning supported by a top-down and bottom-up process. The fund has minimal exposure to distressed debt and holds a higher allocation to investment-grade debt than the benchmark.

ANNUALISED RETURNS, AS OF 31/12/13

	MONTH	QUARTER	1-YEAR	SINCE INCEPTION (2/7/12)
U.S. $ Distributing (Class A Shares)	0.81%	3.40%	5.83%	7.57%
Credit Suisse High Yield Index	0.61	3.45	7.54	10.15
BofA ML High Yield BB-B Index	0.46	3.35	6.31	9.42

GLOBAL HIGH INCOME FUND CREDIT QUALITY VERSUS BENCHMARK

Calamos works to achieve the best risk/return by seeking an optimum yield per unit of risk.



	AAA	AA	A	BBB	BB	B	CCC AND BELOW	UNRATED SECURITIES
Calamos Global High Income Fund	0.0%	0.0%	0.0%	4.9%	50.8%	43.0%	1.3%	0.0%
Credit Suisse High Yield Index	0.0	0.0	0.1	8.0	40.5	39.0	11.0	1.4

Bond Ratings and Weighted Average Credit Quality reflects information from nationally recognised rating agencies including Standard & Poor's Corporation; Moody's Investors Service, Inc.; Fitch, 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 unrated securities receive a proprietary rating as permitted by investment guidelines. Excludes equity securities and cash.

Past Performance is no guarantee of future results. Data represents the unaudited performance of the Calamos Institutional High Income Composite. Although Calamos Global High Income Fund, with its launch date of 2/7/12, is managed by the same investment team utilising the same investment process as the composite, performance data quoted represents past performance of the composite, and may not be a reliable guide to the future performance of Calamos Global High Income Fund.

Performance presented is gross of fees. Clients actual returns will be reduced by advisory fees and other expenses including custody, brokerage fees, and other services. Please see Calamos Advisors Form ADV Part 2A for standard fee structure. Please see accompanying disclosures before making an investing decision.

Calamos Global High Income Fund is a sub-fund of Calamos Global Funds PLC, an investment company with variable capital incorporated with limited liability in Ireland (registered number 444463), and is authorised and regulated by the Irish Financial Regulator as an Undertaking for Collective Investment in Transferable Securities ("UCITS"). The Company is a recognised scheme in the U.K. for the purposes of the Financial Services and Markets Act 2000, but is not authorised under such Act and therefore investors will not be entitled to compensation under the U.K. Financial Services Compensation Scheme. Calamos Global Funds PLC has been established as an umbrella fund with segregated liability between subfunds and is authorised pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2003 as amended. Calamos Investments LLP, is authorised and regulated by the Financial Conduct Authority, and is the distributor of the Calamos Global Funds PLC.

The Fund is offered solely to non-U.S. investors under the terms and conditions of the fund's current prospectus. The prospectus contains important information about the Fund and should be read carefully before investing. A copy of the full and simplified prospectus for the Fund may be obtained by visiting www.calamos.com/global, or by contacting the local Paying Agent listed by jurisdiction at www.calamos.com/global, or through the fund's Transfer Agent, RBC Investor Services Ireland Limited.

The opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes only and should not be considered investment advice. There is no assurance that the Fund will achieve its investment objective. An investment in the Fund involves investment risks, including possible loss of the amount invested. The Fund may invest in mid-size and small companies which present greater risk and higher volatility than investments in larger, more established companies. The Fund may also invest in the securities of non-U.S. issuers. As a result of political or economic instability in some countries, there can be special risks associated with investing in some international securities, including fluctuations in currency exchange rates, increased price volatility, and difficulty obtaining information. Changes in exchange rates may have an adverse effect on the value, price or income of the Fund. Source: Calamos Advisors LLC, RBC and Mellon Analytical Solutions, LLC.

The Credit Suisse High Yield Index consists of US-denominated high yield issues of developed countries. The Bank of America Merrill Lynch U.S. High Yield BB-B Index measures the performance of BB and B rated high yield bonds in the U.S. market. The BofA Merrill Lynch Global Fixed Income Markets Index tracks the performance of developed and emerging market investment grade and sub-investment grade debt publicly issued in the major domestic and eurobond markets, including sovereign, quasi-government, corporate, securitized and collateralized securities. 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.

CONTACT US

The Americas (USA-NRA), Latin America and Canada
Calamos U.S. Toll Free: 1.877.663.8056
Email: globalinfo@calamos.com

Europe, Middle East and Africa
Phone: +44.20.3178.8838
Calamos UK Freephone: 0(808)234.4611
Email: globalinfo@calamos.co.uk

Asia
Phone: 877.663.8056
Email: globalinfo@calamos.com.hk

Visit us at www.calamos.com/global for the latest investment commentary and fund information.

CALAMOS®

Calamos Investments LLP
No. 1 Cornhill | London, EC3V 3ND, UK
Tel: +44 (0)20 3178 8838 | www.calamos.com/global

Calamos Investments LLC
2020 Calamos Court | Naperville, IL 60563-2787
Tel: 877.663.8056 | www.calamos.com

Calamos Global Funds PLC
c/o RBC Investor Services Ireland Limited
Georges Quay House | 43 Townsend Street| Dublin 2 | Ireland
Tel: +353 1 440 6555 | Fax: +353 1 613 0401 | www.calamos.com/global
E-mail: dublin_ta_customer_support@rbc.com

© 2014 Calamos Investments LLC. All Rights Reserved.
Calamos® and Calamos Investments® are registered trademarks of Calamos Investments LLC.

CGFGHISS 12030 1213Q IO