FOURTH QUARTER 2013 www.calamos.com

Global Opportunities Strategy

CALAMOS

KEY FEATURES

Historically, the Calamos Global Opportunities Strategy has provided:

- » Strong excess returns versus the MSCI ACWI Index with less volatility
- » Downside risk protection in most periods
- » Alpha generation throughout market cycles

CALAMOS GLOBAL OPPORTUNITIES STRATEGY

Peer Group	Global Equity
Benchmark	MSCI ACWI Index
Primary securities used	Equity-sensititve securities
Style	Growth bias
Capitalization focus	Multi-cap
Markets invested in	Developed and emerging
Inception date	October 1, 1996
Strategy AUM	\$1.3 billion*

Managing Risk Using a Low-Volatility Equity Strategy

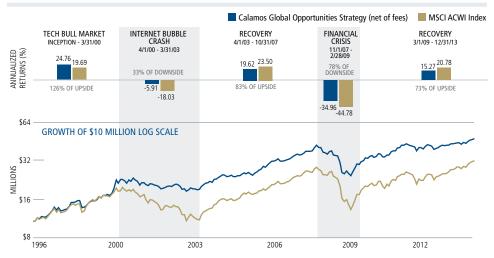
The investment objective of the Calamos Global Opportunities strategy is to outperform the MSCI ACWI Index with less downside risk over a full market cycle. To achieve this investment objective, the portfolio invests in global equities and convertible securities, which we believe provides a more attractive risk/return profile. By allowing our investment team to invest in a broader, equity-sensitive opportunity set, we believe we can generate alpha versus the global equity benchmark and peer universe.

The Global Opportunities strategy seeks equity-like performance over full market cycles while reducing equity market risk. Figure 1 below shows how the strategy has performed versus the MSCI ACWI Index during significant market eras.

A Broader Opportunity Set

The Global Opportunities strategy's investment universe is comprised of approximately 11,000 global equities and 1,500 global convertible securities. By broadening the opportunity set to include convertible securities, we believe we can better manage the portfolio's overall risk/reward profile through market cycles, while maintaining the attractive upside potential of an all-stock portfolio. The broader opportunity set also provides the investment team with the ability to incorporate more of their research insights into the portfolio.

FIGURE 1. MANAGING RISK OVER MARKET CYCLES: GLOBAL OPPORTUNITIES STRATEGY VERSUS GLOBAL EQUITY MARKETS



Source: Mellon Analytical Solutions LLC.

Past performance is no guarantee of future results. Index data shown is from 10/1/96, since comparative index data is available only for full monthly periods. Logarithmic scales can be useful when looking at performance data over a long period of time. Common percent changes are represented by an equal spacing between the numbers in the scale. For example, the distance between \$1 and \$2 is equal to the distance between \$2 and \$4 because both scenarios represent a 100% increase in price.

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*Strategy AUM reflects all assets that are currently being managed (collectively) under the Calamos Global Opportunities Strategy as of December 31, 2013

FIGURE 2. ASSET CLASS CORRELATIONS WITH GLOBAL CONVERTIBLES¹

	Convertible Index
Global Equity	0.88
U.S. Equity	0.78
Emerging Markets	0.79
Non-U.S. Bonds	0.41

BofA Merrill Lynch Global 300

0.13

Source: Calamos Advisors, LLC, Mellon Analytical Solutions, LLC

U.S. Bonds

The use of convertibles within an equity portfolio is supported by historical correlations. Figure 2 shows the correlation of global convertibles to five asset classes. Correlations range from a low of 0.13 with U.S. bonds to a 0.88 correlation with global equities.

Convertible securities offer investors advantages particular to both equities and bonds. Like equities, convertibles have the potential for capital appreciation; and like bonds, they offer the potential for interest income and the potential for downside protection. Because convertibles can be exchanged for a specific number of shares of stock, they tend to gain or lose value along with the underlying equity.

When the price of the underlying stock rises, the price of the convertible tends to rise as well. When a stock's price falls, however, the convertible bond price typically declines only as far as the "floor" established by the convertible's bond component. While convertibles are sensitive to their underlying equity's price movements, as bondholders, convertible investors still receive the interest income and the guarantee of principal that bonds offer (except in cases of default).

However, the convertible universe is not uniform, as characteristics of individual securities can vary widely from fixed income-like to more equity-sensitive. This variability adds flexibility, allowing investors to structure portfolios to meet a range of investment objectives. In this portfolio, we can include convertibles that maintain equity-like returns while potentially providing downside protection.

The potential for downside protection can be illustrated by looking at quarters in which the MSCI ACWI Index reported negative returns, which is shown in Figure 3. The benchmark has recorded 24 quarters of negative performance since the strategy's inception. Of those, the

10% 8% **EXCESS RETURNS** -0.05 -0.26 -2% -1.63 -1.88 1Q 2Q 2008 2008 3Q 4Q 2008 2008

FIGURE 3. STRATEGY'S EXCESS RETURNS FOR QUARTERS IN WHICH THE MSCI ACWI INDEX (USD) HAD NEGATIVE RETURNS

Source: Calamos Advisors, LLC, Mellon Analytical Solutions, LLC. Performance shown since inception of the Calamos Global Opportunities strategy 10/1996. Gross of fee returns. Returns shown are excess returns. Actual returns for the periods shown may have been negative.

Past performance is no guarantee of future results.

¹ Since inception of the BofA Merrill Lynch Global 300 Convertible Index (July 1, 1995). Returns in USD. Data as of December 31, 2013. Calculated with monthly returns. Asset classer represented by the following indices: Global equity: MSCI World Index; U.S. equity: S&P 500 Index; Emerging markets equity: MSCI Emerging Markets Index; Non-U.S. bonds: Citigroup World Government Bond Index Non-U.S.; and U.S. bonds: Barclays U.S. Aggregate Bond Index.

Global Opportunities strategy has seen positive excess returns in 17 quarters. The strongest outperformance, gross of fees, was 10.50% (3Q 2002) and the most significant underperformance was -1.88% (2Q 2013).

Another advantage of a broader opportunity set is that it allows us to find underpriced convertibles that have little equity exposure or "upside," and pair them with the issuing company's common equity. This provides the advantage of appreciation of the bond component if it comes back to fair value, as well as the coupon interest from the bond and the appreciation of the equity if the stock rallies. By pairing the two securities together, the portfolio maintains the desired equity exposure or upside potential, often with less risk than the straight equity. While this is not the predominate means of generating returns, it illustrates one of the benefits of combining the securities in a portfolio.

We believe the inclusion of convertible securities, and the potential for downside protection that they historically have provided investors, differentiates the strategy from other global equity portfolios. This dynamic creates a risk/reward profile that is compelling to an investor who desires equity participation but is willing to exchange maximum upside for potential downside protection.

Risk and Reward

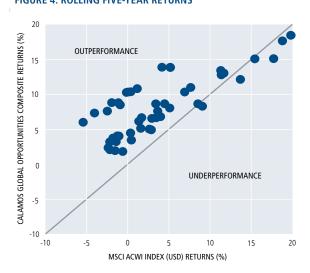
Returns. A comparison of performance of the Calamos Global Opportunities strategy to its benchmark, the MSCI ACWI Index, provides a frame of reference for understanding half of the risk/reward profile. Figure 4 shows the rolling five-year returns for the Global Opportunities strategy and the MSCI ACWI Index for each quarter since the strategy's inception through December 31, 2013. The x-axis shows the index returns and the y-axis

CASE STUDY: CAPITALIZING ON THE HYBRID BENEFITS OF CONVERTIBLES

We believe our positioning during recent years in the energy and material sectors serve as an excellent example of how convertible securities can be incorporated advantageously into a strategy. While we believed a sustained period of oil prices in the \$100-plus range was unlikely, we did not presume to be capable of forecasting energy prices with certainty. This is also true with the run-up in materials companies that benefitted from the increasing prices of commodities during the first half of 2008. Accordingly, we wished to maintain opportunistic exposure and appropriate diversification while limiting our downside risk. Given their defensive characteristics, convertibles provided an excellent means for accomplishing these goals.

shows the strategy's returns for the corresponding time period. Dots above the bold diagonal line are periods when the portfolio outperformed and below the line are periods in which the portfolio underperformed.

FIGURE 4. ROLLING FIVE-YEAR RETURNS



Source: Calamos Advisors, LLC, Mellon Analytical Solutions, LLC. Please see included standard time period performance data and/or supplemental information. Performance shown since inception of the Calamos Global Opportunities strategy 10/1996. Gross of fees returns. Returns are calculated from monthly returns and shown for every three-month interval

Past performance is no guarantee of future results.

Since its inception, the strategy has outperformed its benchmark in 44 of 50 rolling five-year periods, gross of fees. The greatest period of outperformance reported annualized excess returns of 11.43% and the most significant period of underperformance was an annualized -2.62%, gross of fees.

Not surprisingly, the period that saw the most excess returns was from the second quarter of 1999 through the first quarter of 2004. During this period, equity markets saw steep declines while the portfolio had mildly positive returns due, in part, to the inclusion of convertibles. The portfolio's excess returns tend to be highest when the index is experiencing negative or single-digit returns and decreases as the market returns grow stronger.

Risk. The portfolio's volatility, as measured by the standard deviation of returns, is about three percentage points less on an annualized basis, since inception, then its benchmark. The Global Opportunities strategy has seen annual volatility of 13.1%, while the annual volatility of the MSCI ACWI Index is 16.5%.

Another risk metric, upside/downside semi-variance, is particularly valuable for understanding the type of volatility experienced by the portfolio and the index. Risk is generally thought of in negative terms, but not all risk is undesirable. If the risk is asymmetric, with more expected upside volatility than downside, then the probability of a

CASE STUDY: A BENEFIT OF A BROADER OPPORTUNITY SET

An electronics retailer's convertible security was trading significantly below fair value, based on proprietary

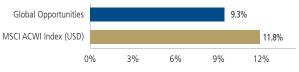
Calamos estimate, and trading more like a straight bond than a hybrid security. At the same time, the issuing company's common stock also was priced significantly below our fair value estimate. The common stock, like much of the equity market, was exhibiting high volatility. By adding both the convertible and common stock to the portfolio, we helped improve the risk/reward profile of investing in this company. We also provided a means to take advantage of the undervalued nature of its securities, allowing ourselves to participate in the upside while limiting downside risk.

positive return outcome is increased. The upside/downside semi-variance looks at risk in this framework, and is more consistent with how the Global Opportunities strategy is managed. As Figure 5 illustrates, since inception, upside semi-variance has been similar to the benchmark, 9.3% versus 11.8%, respectively. The downside semi-variance of the portfolio has been notably less, with 5.8% for the strategy versus 11.2% for the index.

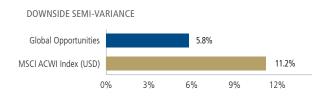
One final risk measure worth noting is beta, or market exposure. The beta of the Global Opportunities strategy

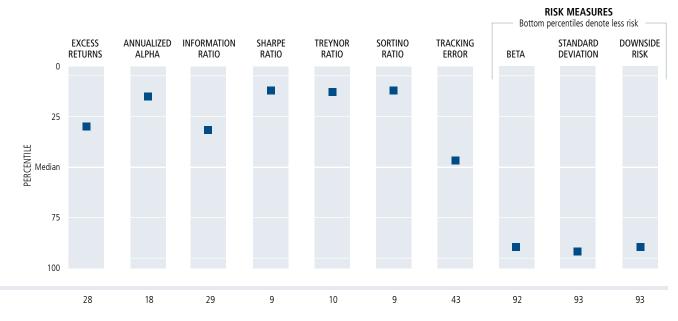
FIGURE 5. UPSIDE/DOWNSIDE SEMI-VARIANCE

Since inception (October 1, 1996—December 31, 2013)
UPSIDE SEMI-VARIANCE



Source: Calamos Advisors, LLC and Mellon Analytical Solutions, LLC.





² The Calamos Global Opportunities Composite is based on portfolios that have been hedged between 70% to 100% from a currency perspective.

Past performance is no guarantee of future results. 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.

in relation to the MSCI ACWI Index (USD) is 0.70, since inception. The lower beta is largely a result of the potential for downside protection inherent in the Global Opportunities portfolio.

Global Equity Peer Group Rankings

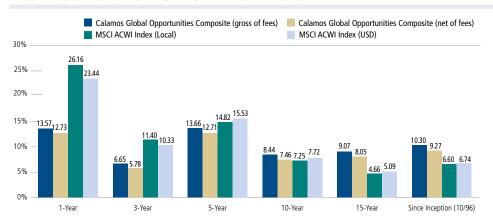
In Figure 6, we provide the Global Opportunities strategy's peer group rankings since inception. In all categories the strategy falls in the first or second quartile. Notable exceptions are in the risk measures, such as beta, standard deviation, and downside risk, where it falls into the desirable bottom decile. Figure 7 on the following page provides the strategy's performance over standard time periods.

Conclusion

The Calamos Global Opportunities strategy seeks to outperform the MSCI ACWI Index over a full market cycle with less downside volatility. Since the strategy's inception, it has provided excess positive returns in 44 of 50 rolling five-year periods, and in 17 of the 24 quarters that the MSCI ACWI Index has experienced negative returns. By broadening the investment universe to include convertibles, the portfolio has historically provided upside appreciation, downside protection, and dampened volatility. We believe that by loosening the country and security constraints, the portfolio is able to achieve its investment objective and provide investors with a global investing option with the potential for lower volatility that seeks to enhance their overall equity allocation.

³ Source: Rankings from eVestment Alliance's All Global Equity universe. Benchmark: MSCI ACWI Index. Data based on monthly returns of 119 investment portfolios for the since inception rankings. Data as of December 31, 2013. Information supplemental to the Calamos Global Opportunities composite.

FIGURE 7. GLOBAL OPPORTUNITIES ANNUALIZED TOTAL RETURNS



Performance as of December 31, 2013.

Source: Calamos Advisors, LLC and Mellon Analytical Solutions LLC.

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Index Information: The BoftA Merrill Lynch Global 300 Convertible Index is a global convertible index composed of companies representative of the market structure of countries in North America, Europe, and the Asia/Pacific Region. The MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The index is calculated in both U.S. dollars and local currencies. The S&P 500 Index is a market-value weighted index and is widely regarded as the standard for measuring U.S. stock-market performance. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The Barclays U.S. Aggregate Bond Index comprises long-term government and investment grade corporate debt securities and is generally considered representative of the performance of the broad U.S. bond market. Indexes are unmanaged and returns assume reinvestment of dividends and do not reflect any fees, expenses or sales charges. Investors cannot invest directly in an index. Citigroup World Government Bond Index Non-U.S. Index includes the most significant and liquid government bond markets globally outside of the United States that carry at least an investment grade rating.

Composite Information: The composite was created February 16, 2006, calculated with an inception date of October 1, 1996. Returns presented for Global Opportunities strategy reflect those of the institutional composite. The Calamos Global Opportunities Composite is an actively managed composite primarily investing in a globally diversified portfolio of equity, convertible and fixed income securities, with equal emphasis on capital appreciation and current income and includes all fully discretionary fee paying accounts of \$500,000 or more, including those no longer with the Firm.

The Supplemental Information contained in this presentation supplements the compliant composite presentation.

Terms

Alpha: The incremental return of a manager when the market is stationary, or the return due to non-market factors. Beta: a measure of the sensitivity of a portfolio's rate of return to fluctuations in the benchmark index. Downside risk: semi-variance breaks total variability into two segments—risk and uncertainty—and shows the degree to which a portfolio's returns have fluctuated around the mean return in down markets. It differentiates between "good risk" (upside volatility or "risk"). Semi-variance only measures the periods where the portfolio returns underperform the target, whereas standard deviation treats both upside and downside risk the same. Excess returns: Returns in excess of the benchmark. A positive excess return indicates that the manager outperformed the benchmark for that period. Information ratio: A measure of the value added per unit of active risk by a manager over the index. A positive ratio indicates "efficient" use of risk by the manager. Sharpe ratio: This ratio is calculated by finding the portfolio's excess return of the target and then dividing by the portfolio's excess return of the target and then dividing the portfolio's semi-deviation of active returns. An important benefit of this measure is that it offers an indication of both the likelihood of failing to achieve the target return and also the consequences of the shortfall. Standard deviation: a measure of the variability or volatility of monthly rates of return of a portfolio's standard deviation shows the degree to which a portfolio's returns have fluctuated around the mean. Tracking error: A measure of the amount of active risk that is being taken by a manager. Tracking error accounts for the deviation shows the degree to which a portfolio's returns have fluctuated around the mean. Tracking error: A measure of the amount of active risk that is being taken by a manager. Tracking error accounts for the deviation shows the degree to which a portfolio's returns have fluctuated around the mean. Tracking error: A measure of the amou



Calamos Advisors LLC 2020 Calamos Court | Naperville, IL 60563-2787 800.582.6959 | www.calamos.com/institutional caminfo@calamos.com

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