

Growth Fund Third Quarter 2018 Report



OVERVIEW

The fund invests in the equities of U.S. companies with a range of market capitalizations that we believe offer the best potential for growth.

KEY FEATURES

- » **Utilizes more than two decades** of extensive research experience in growth investing
- » **Active management** focuses on top-down views and bottom-up fundamentals
- » **Research-driven approach** identifies opportunities by combining top-down analysis with a focus on key growth characteristics

FUND TICKER SYMBOLS

A Shares	C Shares	I Shares
CVGRX	CVGCX	CGRIX

Key Drivers of Performance

- » For the quarter ended September 30, 2018, the fund had a positive return of 5.38%. However, it trailed the Russell 3000 Growth Index, which was driven by its top-four issuers.
- » The fund's security selection in industrials positively contributed to relative results. In particular, positions in the airlines industry boosted relative performance. A lack of exposure in real estate also added to return.
- » Trailing selection and an underweight stance within the information technology sector weakened relative returns, as holdings in the internet software & services and semiconductors industries hurt results. An overweight allocation and security selection within the investment banking & brokerage and financial exchanges & data industries of the financials sector also dampened relative performance.

Market Overview

- » The U.S. equity market rolled on with another quarterly gain, notching a 7.71% return as measured by the S&P 500 Index.
- » A robust U.S. economy and strong business activity drove the markets, in our view. During the quarter, it was reported that U.S. GDP increased at an annual rate of 4.2% for 2Q2108, while S&P 500 businesses announced earnings growth of 25% and sales growth of 11%.
- » Growth stocks outperformed value stocks during the quarter, with the Russell 3000 Growth Index climbing 8.88% for the period, while the Russell 3000 Value Index posted a 5.70% return.

AVERAGE ANNUAL RETURNS

	QTD	YTD	1-YEAR	3-YEAR	5-YEAR	10-YEAR	SINCE A SHARE INCEPTION (9/4/90)	SINCE I SHARE INCEPTION (9/18/97)
Calamos Growth Fund								
I shares – at NAV	5.45%	11.88%	19.33%	13.22%	11.64%	10.64%	N/A	11.22%
A shares – at NAV	5.38	11.64	18.99	12.93	11.36	10.36	13.01%	N/A
A shares – Load adjusted	0.36	6.33	13.34	11.11	10.28	9.82	12.82	N/A
Russell 3000 Growth Index	8.88	16.99	25.89	20.36	16.23	14.18	10.26	7.33
S&P 500 Index	7.71	10.56	17.91	17.31	13.95	11.97	10.43	7.49
Russell Midcap Growth Index	7.57	13.38	21.10	16.65	13.00	13.46	11.25	8.42
Morningstar Large Growth Category	7.54	15.64	23.18	17.68	14.02	12.60	9.49	6.73

The Russell Midcap Growth Index and Russell 3000 Growth Index return "Since A share Inception" date is 8/31/90.

Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. You can obtain performance data current to the most recent month end by visiting www.calamos.com.

The principal value and return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance reflected at NAV does not include the Fund's maximum front-end sales load of 4.75%. Had it been included, the Fund's return would have been lower.

Returns for periods greater than 12 months are annualized. Calendar year returns measure net investment income and capital gain or loss from portfolio investments for each period specified. Average annual total return measures net investment income and capital gain or loss from portfolio investments as an annualized average. In calculating net investment income, all applicable fees and expenses are deducted from the returns. All performance shown assumes reinvestment of dividends and capital gains distributions. The Fund also offers Class C shares, the performance of which may vary. As of the prospectus dated 3/1/18, the Fund's total expense ratio for Class A shares is 1.40% and Class I shares is 1.15%.

The offering price for Class I shares is the NAV per share with no initial sales charge. There are no contingent deferred sales charges or distribution or service fees with respect to Class I shares. The minimum initial investment required to purchase each Fund's Class I shares is \$1 million. Class I shares are offered primarily for direct investment by investors through certain tax-exempt retirement plans (including 401(k) plans, 457 plans, employer-sponsored 403(b) plans, profit sharing and money purchase pension plans, defined benefit plans and non-qualified deferred compensation plans) and by institutional clients, provided such plans or clients have assets of at least \$1 million. Class I shares may also be offered to certain other entities or programs, including, but not limited to, investment companies, under certain circumstances.

There can be no assurance that the Fund will achieve its investment objective.

**NOT FDIC INSURED | MAY LOSE VALUE |
NO BANK GUARANTEE**

Calamos Growth Fund Third Quarter 2018 Report

FUND HOLDINGS – CONTRIBUTORS

FIRM NAME	% OF FUND	FIRM PROFILE	ANALYSIS
United Continental Holdings	1.1%*	United Continental Holdings, Inc. is U.S.-based airline providing global service. The company, founded in 1934, is more recently known for the merger of United and Continental airlines. United Continental Holdings was recently among the top-three worldwide airlines by revenue.	Shares in United Continental Holdings climbed 27% in the third quarter, notably after a strong earnings announcement in July. Announced revenues were at the higher end of Street estimates, while earnings per share also beat consensus. Management's guidance for the upcoming quarter was strong, giving investors further optimism. We appreciate the company's management of capacity and pricing, but took some gains and reduced our holdings following the stock's strong run during the quarter.
Radian Group	0.1%†	Radian Group, Inc., is a U.S.-based mortgage insurance and service business. The company provides its services to real estate and mortgage finance firms such as mortgage bankers and brokers, commercial and community banks as well as credit unions.	Radian Group saw its shares climb 17% during 3Q 2018, strongly outperforming the financials sector as a whole as well as the thrifts & mortgage finance industry. Earnings results were strong with both earnings and revenue beating expectations. Those numbers saw benefits from new insurance written, and investors seemed pleased with management's view that new capital standards should not substantially change the amount of excess available assets.

FUND HOLDINGS – DETRACTORS

FIRM NAME	% OF FUND	FIRM PROFILE	ANALYSIS
Mohawk Industries, Inc.	1.6%*	Mohawk Industries, Inc. is a U.S.-based flooring company, which designs, manufactures and distributes flooring products for new construction and remodeling.	Shares in Mohawk Industries struggled following their quarterly earnings announcement, down -18%. While revenues climbed, the total came in below expectations and earnings per share disappointed as well. Management pointed to cost increases, including transportation and labor costs, and vowed to improve its focus and product mix. We continue to believe that the U.S. consumer is in a position of strength and that businesses with ties to the U.S. consumer should be attractive investments.
Laboratory Corp. of America Holdings	1.7%*	Laboratory Corp. of America Holdings, commonly known as LabCorp, is a U.S. based health care services company. LabCorp operates one of the largest clinical networks in the world, offering a variety of diagnostics to commercial and individual clientele.	LabCorp's stock declined 3% during the quarter. While quarterly revenues, operating income and net income all rose, the stock sold off. Their Covance Drug Development business has shown strong growth, and we believe the increase in Covance's portion of the business should be a benefit for the stock going forward, along with its better valuation compared to peers.

*as of 8/31/18

†as of 7/31/18

Calamos Growth Fund Third Quarter 2018 Report

Positioning Discussion

We have not made significant changes to portfolio positioning during the quarter. As mentioned, our largest overweight is to the financials sector and we have not modified that stance. We believe that rising rates and a steepening yield curve could be a strong tailwind for the sector, and it has not been priced accordingly, in our view. We continue to have the largest allocation to information technology, but it also remains our largest underweight. Concerns over valuation among some of the most favored names has kept our relative weighting in check. If growth estimates drop slightly, or the cost of capital is to rise, these longer-duration growth names could be in for a bit of a repricing. We do not see a significant threat of an economic slowdown or recession in the near-term, but we are more concerned about crowd behavior surrounding these names.

As evidence of our mostly positive view for U.S. economic growth, we remain most underweight the highly defensive areas of the market, such as consumer staples and real estate.

SECTOR POSITIONING	SECTOR WEIGHTINGS AS OF 9/30/18	OVER/UNDERWEIGHT VS. RUSSELL 3000 GROWTH INDEX	QUARTER TO QUARTER CHANGE
Information Technology	35.7%	-4.5%	1.8%
Consumer Discretionary	17.6	-0.2	0.3
Financials	12.6	8.2	0.0
Health Care	12.4	-2.4	-0.1
Industrials	12.2	-0.2	0.1
Materials	3.8	2.0	0.6
Consumer Staples	1.8	-3.4	-1.4
Energy	0.8	-0.2	-1.1
Mutual Funds	0.1	0.1	0.1
Utilities	0.0	0.0	0.0
Telecom Services	0.0	-0.2	0.0
Real Estate	0.0	-2.0	0.0

Sector weightings exclude cash or cash equivalents, any government/sovereign bonds or instruments on broad indexes the portfolio may hold. Holdings and weightings are subject to change daily. You can obtain a complete list of holdings by visiting www.calamos.com. Please see additional disclosures on last page.

Outlook

As we stated last quarter, weaker performance for risk assets despite ongoing economic growth may highlight that investors are no longer questioning growth vs deflation, but are now focused on the rising cost of debt. The confusing part of the risk outlook is that economic growth is not the problem—the source of market risk may be the turning of the monetary tide in the U.S. However, we remain cautious and patient, believing that the U.S. bull market still has legs. The consensus may have underestimated the impact of the Tax Cuts and Jobs Act, which promoted a massive transfer of resources from the public to the private sector. Along with deregulation, this shift has encouraged high levels of confidence among American small businesses and is facilitating an acceleration of bank lending. We may very well see a volatile period with bounces for lagging and depressed “value” names that have been ignored by investors.

Calamos Growth Fund Third Quarter 2018 Report

Fund Quarterly Attribution

	CONSUMER DISCRETIONARY	CONSUMER STAPLES	ENERGY	FINANCIALS	HEALTH CARE	INDUSTRIALS	INFORMATION TECHNOLOGY	MATERIALS	REAL ESTATE	TELECOM SERVICES	UTILITIES
GROWTH FUND VERSUS RUSSELL 3000 GROWTH INDEX (%)											
Value Added from Sector	0.17	0.08	0.14	-0.18	-0.37	-0.18	-0.24	0.06	0.18	0.00	0.00
Value Added from Selection & Interaction	-0.10	-0.03	0.00	-0.23	0.00	0.11	-0.11	-0.03	0.00	0.00	0.00
Total Added Value	0.07	0.05	0.14	-0.42	-0.37	-0.07	-0.35	0.03	0.18	0.00	0.00
SECTOR WEIGHTS (AVERAGE % WEIGHT DURING THE QUARTER)											
Growth Fund	1.13	0.12	0.05	0.82	0.79	0.78	2.30	0.25	0.00	0.00	0.00
Russell 3000 Growth Index	17.59	5.34	1.02	4.60	14.63	12.45	40.13	1.91	2.11	0.20	0.03
Over/underweight	-16.46	-5.22	-0.97	-3.77	-13.84	-11.67	-37.83	-1.66	-2.11	-0.20	-0.03
SECTOR RETURNS (%)											
Growth Fund	0.78	-1.69	-1.02	-4.52	1.05	0.87	0.57	-2.95	0.00	1.84	1.85
Russell 3000 Growth Index	8.76	7.26	-4.89	3.06	12.07	9.88	9.82	0.08	0.32	10.90	4.48
Relative Return	-7.98	-8.95	3.87	-7.58	-11.02	-9.01	-9.25	-3.03	-0.32	-9.06	-2.62

Calculations may be subject to rounding.

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. Past performance does not guarantee future results.

Index Definitions

Morningstar Large Growth category funds invest primarily in big U.S. companies that are projected to grow faster than other large-cap stocks. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large cap. Growth is defined based on fast growth (high growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields). Most of these portfolios focus on companies in rapidly expanding industries. The **Russell 3000 Growth Index** measures the performance of those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth values. The stocks in this index are also members of either the Russell 1000 or the Russell 2000 Growth Indices. The **Russell 3000 Value Index** measures the performance of the broad value segment of the U.S. equity universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values. The **Russell Midcap Growth Index** measures the performance of the midcap growth segment of the U.S. equity universe and includes companies with higher price-to-book ratios and higher forecasted growth values. The **S&P 500 Index** is a market-value weighted index consisting of 500 stocks chosen for market size, liquidity, and industry group representation. It is widely regarded as the standard for measuring U.S. stock-market performance. Unmanaged index returns assume reinvestment of any and all distributions and, unlike fund returns, do not reflect fees, expenses or sales charges. Investors cannot invest directly in an index.

Important Risk Information

An investment in the Fund(s) is subject to risks, and you could lose money on your investment in the Fund(s). There can be no assurance that the Fund(s) will achieve its investment objective. Your investment in the Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. The risks associated with an investment in the Fund(s) can increase during times of significant market volatility. The principal risks of investing in the fund include: equity securities risk consisting of market prices declining in general, growth stock risk consisting of potential increased volatility due to securities trading at higher multiples, mid-sized company risk, foreign securities risk and portfolio selection risk. More detailed information regarding these risks can be found in the fund's prospectus.

Before investing carefully consider the fund's investment objectives, risks, charges and expenses. Please see the prospectus and summary prospectus containing this and other information which can be obtained by calling 1-800-582-6959. Read it carefully before investing.

CALAMOS
INVESTMENTS

Calamos Financial Services LLC, Distributor
2020 Calamos Court | Naperville, IL 60563-2787
800.582.6959 | www.calamos.com | caminfo@calamos.com

© 2018 Calamos Investments LLC. All Rights Reserved. Calamos® and Calamos Investments® are registered trademarks of Calamos Investments LLC.

GROCOM 7700 0918Q R