

Hedged Equity Income Fund Third Quarter 2018 Report

CALAMOS[®]
INVESTMENTS



MORNINGSTAR OVERALL RATING™*

Among 87 Options-based Funds

The fund's load-waived Class I shares had 4 stars for 3 years out of 87 Options-based Funds for the period ended 9/30/18.

OVERVIEW

The fund is an alternative strategy that invests in equities and sells options with the aim of achieving the total return of equity markets with lower volatility. It utilizes a covered call strategy, which involves investing in a diversified portfolio of equities and at the same time using options to generate income and manage risk.

KEY FEATURES

- » Draws on more than a decade of experience in covered call writing and more than two decades of equity investing
- » Option-based risk management strategy aims to lower the volatility of equity investments
- » An alternative approach potentially provides upside participation in equity markets while limiting downside volatility

PORTFOLIO FIT

The fund provides an alternative strategy that can generate income and provide equity exposure with potentially lower volatility than an equities-only allocation.

FUND TICKER SYMBOLS

A Shares C Shares I Shares
CAHEX CCHEX CIHEX

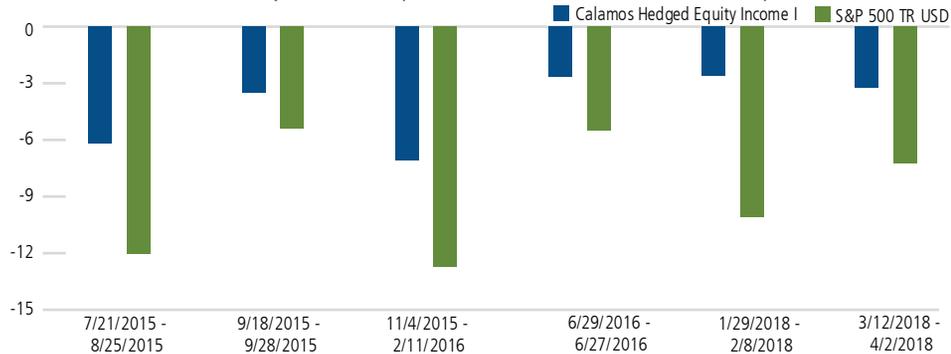
There can be no assurance that the Fund will achieve its investment objective.

Performance

For the third quarter, the fund had a positive return of 3.10% (A shares at NAV) and outperformed its Morningstar category for the one-year, three-year and since inception periods ended September 30, 2018. The fund benefited from the strong 7.71% return of the S&P 500 Index, as the value of our equity basket increased and the long calls purchased as part of our call spreads appreciated in value.

CIHEX OUTPERFORMED THE S&P 500 DURING ALL DOWN MARKETS SINCE INCEPTION

PERFORMANCE DURING DOWN EQUITY MARKETS (PERIODS WHEN THE S&P 500 WAS DOWN >5%)



AVERAGE ANNUAL RETURNS

	QTD	YTD	1-YEAR	3-YEAR	SINCE INCEPTION (12/31/14)
Calamos Hedged Equity Fund					
I shares – at NAV	3.16%	7.70%	10.26%	8.74%	5.91%
A shares – at NAV	3.10	7.48	9.86	8.40	5.61
A shares – Load adjusted	-1.80	2.35	4.61	6.65	4.25
S&P 500 Index	7.71	10.56	17.91	17.31	11.99
BBgBarc U.S. Aggregate Bond Index	0.02	-1.60	-1.22	1.31	1.35
Morningstar Options-Based Category	3.33	3.14	5.11	6.75	3.35

Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. 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. For the most recent month-end fund performance information visit www.calamos.com.

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. All performance shown assumes reinvestment of dividends and capital gains distributions. The Fund also offers Class C shares, the performance of which may vary. In calculating net investment income, all applicable fees and expense are deducted from the returns.

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 nonqualified 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.

†Morningstar ratings shown are for Class I shares and do not include any front-end sales load. Not all investors have access to or may invest in the share class shown. Other share classes with front-end or back-end sales charges may have different ratings than the ratings shown.

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

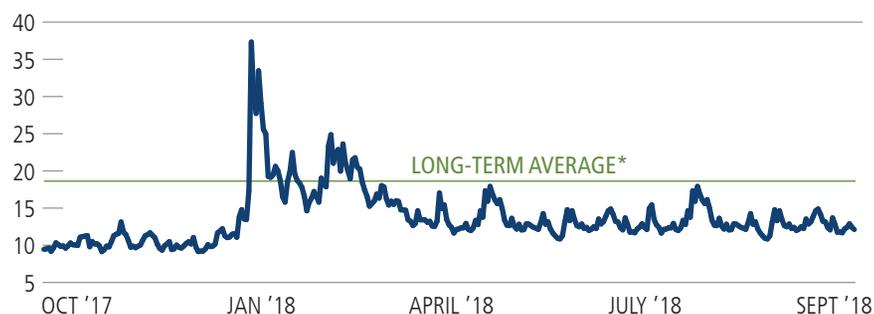
Calamos Hedged Equity Income Fund Third Quarter 2018 Report

Volatility

After seeing increased volatility in the first quarter amid President Trump's tariff talk, volatility declined for a second consecutive quarter (3Q). The CBOE Volatility Index (VIX) finished the quarter at 12.12, 3.97 lower than where it began at 16.09, and well below its long-term average (near 20). Lower volatility impeded premium capture and trade rebalancing opportunities during the quarter.

CBOE VOLATILITY INDEX

Daily Closing Price



* From 2004, since the VIX instituted new methodology, through the present. The CBOE Volatility Index (VIX) is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices.

Positioning

Our use of call and put spreads was opportunistic during the quarter, given the high amount of option skew and low volatility in the market. We continue to find call spreads that provide a more attractive risk/reward outcome than just selling calls as a part of our traditional "North Star" positioning (which consists of writing 80% calls and buying 40% puts). Our call spread positioning involves writing calls that are near or in the money while purchasing out of the money calls. In addition to the long puts that we always maintain in the portfolio, we also found it beneficial to utilize put spreads by selling deep out of the money puts and buying closer to the money puts. The current positioning provides a favorable upside/downside risk profile, especially if the market breaks out of its current range.

At the end of September, our notional hedge positioning averaged 73% calls overwritten versus 104% puts purchased excluding long calls and short puts. With long calls and short puts included, the

positioning reflected 6% calls sold short versus 47% puts purchased long on a net basis. The net long call positioning reflected the fact that given the low volatility, the portfolio held deeply out of the money calls purchased at a very low cost. Additionally, due to steep option skew, the portfolio was able to sell deep out of the money puts and used the proceeds to buy closer to the money puts which significantly improved the portfolio's downside protection. The following table is a snapshot of the portfolio on the last trade date of the quarter and is subject to revision as it is actively managed. Positioning can change quickly depending on market conditions.

Outlook

OPTION POSITIONING

9/30/18							
Short Calls	%	Short Calls Avg Strike	Long Calls	%	Long Calls Avg Strike	Net Calls	%
-271	-72.93	2,760	250	67.28%	2,988	-21	-5.65%
Long Puts	%	Long Puts Avg Strike	Short Puts	%	Short Puts Avg Strike	Net Puts	%
385	103.61%	2,720	-210	-56.52%	2,548	175	47.10%

Source: Calamos.

We expect heightened volatility coming from a variety of sources going forward. Investor speculation over the mid-term elections and President Trump's recent focus on balancing trade through tariffs will fuel volatility as investors attempt to determine the magnitude of impending tariffs and future retaliatory measures. Investor speculation on the timing and degree to which central banks will join the U.S. Federal Reserve in quantitative tightening may also lead to volatility in both the equity and fixed income markets.

We believe the current market environment is favorable for the fund, as it allows us to structure a hedge that can perform well on the wings, while also providing a low-but-stable return should the market trade in a bounded range. We believe that this profile is a good fit for investors who are looking to participate in the equity market with a lower risk level, should market volatility increase as the markets move later into the cycle. As such, it is an attractive fit for investors who want to participate in any continued potential market upside while having a measure of downside protection in the event of an equity market sell-off.

Calamos Hedged Equity Income Fund Third Quarter 2018 Report

FUND INFORMATION	A SHARES	C SHARES	I SHARES
Inception Date	12/31/14	12/31/14	12/31/14
Ticker Symbol	CAHEX	CHEX	CIHEX
CUSIP Number	128120698	128120680	128120672
Minimum Initial/Subsequent Investment	\$2,500/\$50	\$2,500/\$50	\$1 million/\$0
IRA Initial Investment	\$500	\$500	N/A
Sales Load/Maximum Sales Charge	Front-End/4.75%	Level-Load/1.00%	N/A
Gross Expense Ratio	2.15%	3.04%	2.07%
Net Expense Ratio	1.26%	2.01%	1.01%
Distributions	Quarterly dividends; annual capital gains		
Objective	Total return with lower volatility than equity markets		
Benchmark	S&P 500 Index, BBgBarc U.S. Aggregate Bond Index		

The Fund's investment advisor has contractually agreed to reimburse Fund expenses through March 1, 2020 to the extent necessary so that Total Annual Fund Operating Expenses (excluding taxes, interest, short interest, short dividend expenses, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses, if any) of Class A, Class C and Class I shares are limited to 1.25%, 2.00% and 1.00% of average net assets, respectively. Calamos Advisors may recapture previously waived expense amounts within the same fiscal year for any day where the respective Fund's expense ratio falls below the contractual expense limit up to the expense limit for that day. As of prospectus dated 3/1/18.

SECTOR WEIGHTINGS*	FUND %
Information Technology	26.3
Health Care	15.4
Financials	13.2
Consumer Discretionary	13.2
Industrials	9.9
Consumer Staples	6.8
Energy	6.0
Utilities	2.8
Real Estate	2.6
Materials	2.1
Telecom Services	2.1

FUND FACTS	FUND	S&P 500 INDEX
Number of Holdings	303	505
Total Net Assets	\$104,983,387	N/A
30-Day SEC Yield (A shares)	0.58%	N/A

LARGEST 10 HOLDINGS*	INDUSTRY	%
Apple, Inc.	Technology Hardware, Storage & Peripherals	4.5
Microsoft Corp.	Systems Software	3.6
Amazon.com, Inc.	Internet & Direct Marketing Retail	3.5
SPDR S&P 500 ETF Trust	Other	2.8
Facebook, Inc. - Class A	Internet Software & Services	2.0
JPMorgan Chase & Company	Diversified Banks	1.7
Berkshire Hathaway, Inc. - Class B	Multi-Sector Holdings	1.7
Johnson & Johnson	Pharmaceuticals	1.7
Alphabet, Inc. - Class C	Internet Software & Services	1.5
Alphabet, Inc. - Class A	Internet Software & Services	1.5
TOTAL		24.5

Holdings and weightings are subject to change daily. Holdings are provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned.

*Largest 10 Holdings and Sector Weightings are calculated as a percentage of net assets. The tables exclude cash or cash equivalents, any government/sovereign bonds or broad based index hedging securities the portfolio may hold. You can obtain a complete listing of holdings by visiting www.calamos.com.

Calamos Hedged Equity Income Fund Third Quarter 2018 Report

Covered Call Writing: A Closer Look

This strategy is designed to achieve lower volatility than equity markets or long-only funds, while also providing income. We believe adept covered call writing may provide enhanced return potential throughout a market cycle.

Covered Call Writing involves selling (or “writing”) a call option against an equity the writer holds. When managers sell a call option, they earn a premium from the option sale. If the shares trade below the strike price, the option will expire worthless and they keep the premium from the option and retain the security. If the share price exceeds the strike price, the buyer will likely exercise the option and the seller must sell the shares at the strike price. To hedge the risk, managers could also purchase put options to protect against significant equity market declines.

Call Option. A call option is an agreement that gives the purchaser the right to buy shares of a stock at a certain price during a pre-specified period.

Covered Call Writing Risk. As the writer of a covered call option on a security, the portfolio foregoes, during the option’s life, the opportunity to profit from increases in the market value of the security, covering the call option above the sum of the premium and the exercise price of the call.

Put Option. A put option is an agreement that gives the purchaser the right to sell shares of stock at a certain price, during a pre-specified period.

Option Premium. An option premium is the money that the seller of an option receives from a buyer. If the stock price falls, the premium can offset a portion of the stock price decline. The writer keeps the premium regardless of whether the buyer exercises the option or not.

Strike Price. The strike price is the price the stock must reach before the buyer can exercise the option.

Tracking error. Tracking error is the difference between a portfolio’s returns and the benchmark or index it was meant to mimic or beat.

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.

Important Risk Information. A Covered Call Writing strategy begins with a portfolio of stocks, most of which pay dividends (stock provisions include securities convertible into the underlying stocks). We then write (sell) calls and buy protective puts against a portion of this basket. A call option gives the buyer the right to purchase stocks at a predetermined strike price. If these securities rise above the strike price, the buyer may exercise the option and the fund (seller) must pay the buyer the difference as determined by the option contract. By writing calls on securities held in the portfolio, the fund can generate income from option premiums. A put option gives the purchaser the right to sell a security to the writer at a pre-determined price. Put options rise in value as the underlying securities decline in value. Through put options, the fund seeks to offset some of the risk of a potential decline in a portfolio holding.

Additional Information: Past performance does not indicate future results. No investment strategy or objective is guaranteed and a client’s account value can fluctuate over time and be worth more or less than the original investment. 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. An

investment in the Fund is subject to risks, and you could lose money on your investment in the Fund. There can be no assurance that the Fund 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 can increase during times of significant market volatility. The writer of a covered call may be forced to sell the stock to the buyer of the covered call and be precluded from benefiting from potential gains above the strike price.

The principal risks of investing in the Calamos Hedged Equity Income Fund include: covered call writing risk, options risk, equity securities risk, correlation risk, mid-sized company risk, interest rate risk, credit risk, liquidity risk, portfolio turnover risk, portfolio selection risk, foreign securities risk, American depository receipts, and REITs risks.

Options Risk: The Fund’s ability to close out its position as a purchaser or seller of an over-the-counter or exchange-listed put or call option is dependent, in part, upon the liquidity of the option market. There are significant differences between the securities and options markets that could result in an imperfect correlation among these markets, causing a given transaction not to achieve its objectives.

The Fund’s ability to utilize options successfully will depend on the ability of the Fund’s investment adviser to predict pertinent market movements, which cannot be assured.

Covered Call Writing Risk: As the writer of a covered call option on a security, the fund foregoes, during the option’s

POTENTIAL BENEFITS OF COVERED CALL WRITING

Diversification. Managers can write calls against a wide range of investments, including long equity positions or broad-based indices.

Multifaceted Return Potential. Covered call writing can generate returns through several sources, including:

- » The option premium.
- » Dividends and capital appreciation on long equity positions.
- » Call and put options to participate in equity upside with less downside susceptibility.
- » Rebalancing/trading profits.

life, the opportunity to profit from increases in the market value of the security, having to cover the call option above the sum of the premium and the exercise price of the call.

30-Day SEC Yield reflects the dividends and interest earned by the Fund during the 30-day period ended as of the date stated after deducting the Fund’s expenses for that same period. The **Bloomberg Barclays U.S. Aggregate Bond Index** covers the U.S.-denominated, investment-grade, fixed-rate, taxable bond market of SEC registered securities. The index includes bonds from the Treasury, Government-Related, Corporate, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS sectors. The **S&P 500 Index** is generally considered representative of the U.S. stock market. The **CBOE Volatility Index** or **VIX** (based on its CBOE ticker symbol) shows the market’s expectation of 30-day volatility. It is constructed using the implied volatilities of a wide range of S&P 500 index options. The **Credit Suisse Fear Barometer** essentially tracks the willingness of investors to pay up for downside protection with collar trades on the S&P 500 Index. **Morningstar Options-Based Category** represents funds that generate a significant portion of their returns from the collection of premiums on options contracts sold. Morningstar Ratings™ are based on risk-adjusted returns for Class I shares and will differ for other share classes. Morningstar ratings are based on a risk-adjusted return measure that accounts for variation in a fund’s monthly historical performance (reflecting sales charges), placing more emphasis on downward variations and rewarding consistent performance. Within each asset class, the top 10%, the next 22.5%, 35%, 22.5%, and the bottom 10% receive 5, 4, 3, 2 or 1 star, respectively.

Each fund is rated exclusively against U.S. domiciled funds. The information contained herein is proprietary to Morningstar and/or its content providers; may not be copied or distributed; and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Source: ©2018 Morningstar, Inc. All rights reserved.

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.

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.

HEICOM 209 0918Q R