

Calamos Timpani Enhanced Alpha Strategy

CALAMOS[®]
INVESTMENTS

PORTFOLIO MANAGEMENT

- » Ryan B. Isherwood, CFA, Senior Portfolio Manager
- » Brandon Nelson, CFA, Co-Portfolio Manager

The long-tenured investment team identifies and exploits the perception gap that exists between a company's business strength and the market's expectation of that strength. Additionally, the team believes that momentum and mean reversion are the two strongest forces in markets that influence the outperformance of certain investment styles over short-to-intermediate time frames.

DIFFERENTIATORS

- » The team attributes much of its performance to knowing whether investors are embracing growth versus value and the degree of price momentum.
- » The strategy's models have a strong sensitivity to price momentum and help the team understand investors' appetite for adding or removing risk.
- » Proprietary style research provides an edge in anticipating potential market turning points and preemptively responding.
- » The team seeks to sell winners more aggressively near inflection points and take profits proactively.

CALAMOS PROFILE

- » Multi-disciplined, global asset manager
- » Headquartered in Chicago-metro area, with offices in New York, San Francisco, Milwaukee and London
- » Founded in 1977
- » AUM of U.S. \$24.5 billion
- » Institutional Assets¹ of U.S. \$12.3 billion
- » 335 employees*, 75 investment professionals

¹Institutional Assets include institutional share classes of open-end funds as well as assets managed for institutions.

*Information as of 6/30/19. Total represents full-time employees of the operating subsidiaries of Calamos Asset Management, Inc. Part-time employees and consultants are excluded.

Strategy Overview

The Strategy tactically invests in a mix of large-capitalization companies that exhibit either defensive or growth characteristics—depending on our determination of which style will outperform near term. We construct the portfolio based on fundamental, quantitative and market-sentiment considerations. In addition, we conduct proprietary style research to assess the market's appetite for risk and adjust the portfolio accordingly.

Investment Philosophy

- » By combining proprietary style research with an analysis of key investment factors such as value, growth, momentum, quality and low volatility, we seek to identify stocks offering superior risk-adjusted returns.
- » Using style research to guide our decisions allows us to assess inflections, minimize risk, and make unemotional portfolio decisions for potentially better outcomes.

Investment Process

Weigh Defensive Stocks, Growth Stocks and Cash Based on Stylistic Opportunities

- » Use probability weighting to determine which style will likely outperform near term.
People tend to overreact to small probability events, but underreact to large probabilities.
- » Quantitatively screen universe of 1,200 stocks with >\$3 billion market cap.
- » Conduct sophisticated risk management of stocks to help avoid pitfalls.

DEFENSIVE PORTFOLIO

- » Low Business Volatility & Risk
- » Dividend Payers
- » Defensible Business Models
- » Lower Turnover
- » 20-40 Stocks

GROWTH PORTFOLIO

- » Strong Fundamentals
- » Positive Earnings Revisions
- » Sustainable Growth and Momentum
- » Higher Turnover
- » 40-80 Stocks

RISK CONTROLS

- » Dynamic rebalancing near perceived turning points
- » Daily monitoring of factor and peer performance
- » Defensive/Growth ranges: minimum 20%, maximum 80%
- » Strict sell discipline applied to growth holdings
- » Systematic, unemotional trading and rebalancing
- » Maximum sector exposure 50% or 3x the benchmark weight (Russell 1000 Index)
- » Up to 20% cash and 10% ETF exposure

Calamos Timpani Enhanced Alpha Strategy

CHARACTERISTICS

CHARACTERISTICS	PORTFOLIO	RUSSELL 1000 INDEX
Assets in Strategy [†]	\$1.5 M	N/A
# of Stocks	83	977
Portfolio Turnover (12 month)	207.9%	N/A
Median Market Cap (mil)	\$45,663	\$10,921
Weighted Average Market Cap (mil)	\$230,271	\$220,341
Price/Earnings (Forward)	20.9x	18.0x
Price/Sales	2.1x	2.1x
Est 1-Year EPS Growth	10.4%	8.7%
Est 1-Year Sales Growth	6.1%	4.8%
Est 3-5 Year EPS Growth	13.1%	10.3%
P/E to Growth (Forward)	20.0x	17.7x

[†]Strategy AUM reflects all assets that are currently being managed (collectively) under the Calamos strategy, which may contain multiple performance composites.

SECTOR ALLOCATION

SECTOR	% OF PORTFOLIO	RUSSELL 1000 INDEX %
Information Technology	28.7	21.8
Consumer Discretionary	15.6	10.3
Financials	13.1	13.3
Communication Services	8.3	9.6
Materials	7.8	2.9
Health Care	7.6	13.9
Consumer Staples	6.6	6.7
Energy	5.3	4.8
Utilities	3.5	3.2
Real Estate	2.1	3.7
Industrials	1.5	9.8

Sector weightings are based on invested portfolio and exclude any government/sovereign bonds or options on broad market indexes the portfolio may hold.

REPRESENTATIVE PORTFOLIO 10 LARGEST HOLDINGS

SECURITY	SECTOR	% OF PORTFOLIO
Amazon.Com, Inc.	Consumer Discretionary	3.6
Apple, Inc.	Information Technology	3.4
Microsoft Corp.	Information Technology	2.9
Alibaba Group Holding, Ltd.	Consumer Discretionary	2.7
Vaneck Vectors Gold Miners E	Other	2.6
Walmart, Inc.	Consumer Staples	2.1
Unitedhealth Group, Inc.	Health Care	2.1
Blackrock, Inc.	Financials	2.1
Paypal Holdings, Inc.	Information Technology	2.1
Alphabet, Inc. - Class C	Communication Services	2.1

Ten largest holdings exclude cash or cash equivalents, any government / sovereign bonds or instruments on broad based indexes the portfolio may hold.

SINCE INCEPTION RISK/REWARD STATISTICS

	PORTFOLIO	RUSSELL 1000 INDEX
Alpha	0.10%	N/A
Beta	0.95	1.00
Standard Deviation	13.70%	13.96%
Upside Semivariance	9.95%	9.31%
Downside Semivariance	6.09%	N/A
Sharpe Ratio	0.73	0.76
Information Ratio	-0.16	N/A

All risk-adjusted statistics are relative to the Russell 1000 Index on an annualized basis versus the Calamos Timpani Enhanced Alpha Composite. Past performance is no guarantee of future results. Source: Calamos Advisors LLC.

Calamos Timpani Enhanced Alpha Strategy

ANNUALIZED TOTAL RETURNS

	1-YEAR	SINCE INCEPTION (5/17)
Calamos Timpani Enhanced Alpha (gross of fees)	7.95%	11.66%
Calamos Timpani Enhanced Alpha (net of fees)	7.41	11.10
Russell 1000 Index	10.02	12.26

CALENDAR YEAR RETURNS

	YTD 2019	2018	5/17-12/17
Calamos Timpani Enhanced Alpha (gross of fees)	16.19%	-6.00%	16.30%
Calamos Timpani Enhanced Alpha (net of fees)	15.90	-6.47	15.92
Russell 1000 Index	18.84	-4.78	13.57

Calamos Timpani Enhanced Alpha Strategy

Portfolio Manager Biographies



RYAN B. ISHERWOOD, CFA

SENIOR PORTFOLIO MANAGER, SENIOR ANALYST

Ryan Isherwood joined Calamos Investments following its 2019 acquisition of Timpani Capital Management, his employer since 2008. He serves as a senior research analyst for our small-cap growth portfolios and has portfolio management responsibilities for our enhanced alpha equity and small/mid-cap growth equity strategies. Prior to that, Ryan was a senior research analyst at Wells Capital Management. Previously, he was with Strong Capital Management, Inc. as an inside sales representative. Ryan received his M.B.A. in Finance & Investments from the University of Notre Dame and a B.B.A. in Risk Management from the University of Wisconsin-Madison.



BRANDON NELSON, CFA

CO-PORTFOLIO MANAGER

Co-Portfolio Manager Brandon M. Nelson is responsible for the portfolio management of our small- and mid-cap growth strategies. He draws upon more than two decades of experience in small- and mid-cap growth equity investing, utilizing the same philosophy and process employed by Calamos Timpani Small Cap Growth Strategy today. He is also a member of the Calamos Investment Committee, which is charged with providing a top-down framework, maintaining oversight of risk and performance metrics, and evaluating investment process. Brandon joined Calamos Investments following its 2019 acquisition of Timpani Capital Management, the company he co-founded in 2008, where he served as Chief Investment Officer and Portfolio Manager of the Timpani strategies since inception. Previously, he was a Managing Director and Senior Portfolio Manager at Wells Capital Management since 2005. Prior to that, Brandon was with Strong Capital Management, Inc. as a Research Analyst from 1996 to 2000 and as a Portfolio Manager from 2000 to 2005. He received his master's degree in Finance from the University of Wisconsin-Madison and was selected to participate in the prestigious Applied Security Analysis Program. He also received his B.B.A. in Finance from the University of Wisconsin-Madison.

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 Timpani Enhanced Alpha 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.

Returns reflect the Calamos Timpani Enhanced Alpha Composite investing in a mix of large capitalization companies that exhibit either defensive or growth characteristics, based on the probability of which style will outperform over the near term. The Composite was created May 1, 2017, and calculated with an inception date of 5/1/2017. Results include all fully discretionary accounts, including those no longer with the Firm. On May 31, 2019, Calamos acquired Timpani Capital Management LLC, which has managed the strategy since its inception in 2017. 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 primary benchmark is the Russell 1000® Index. The Russell 1000 Index measures the performance of the 1,000 largest companies in the Russell 3000 Index. The Russell 1000 Index is published and maintained by FTSE Russell. 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. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed do not represent the account's 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:

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