U.S. Mid Cap Growth Strategy

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Market Overview

During the quarter, investors were challenged by elections, Superstorm Sandy, and uncertainty regarding fiscal cliff negotiations. Performance fluctuated throughout the period, with an initial drop in October, followed by small market gains in the final two months of the year. In the run-up to the fiscal cliff, market performance largely took its cue from headlines and daily commentary coming out of fiscal policy negotiations. Overall, the S&P 500 Index declined 0.38%, helped by a 1.7% gain in the final day of trading, primarily due to optimism on a resolution to the fiscal cliff. Growth stocks sold off more than the broad market, with the Russell 3000 Growth Index declining 1.19%.

Sector performance within the Russell Midcap Growth Index was mixed for the quarter. Industrials, telecommunication services and materials (led by chemicals and not gold metals and mining stocks) gained the most, while utilities, health care and information technology trailed within the index. As in previous quarters, performance by sector varied significantly. Industrials led the index with a 9.0% return, while utilities declined 6.6%, a difference of more than 15 percentage points.

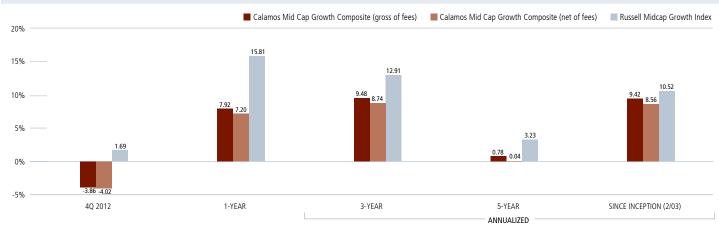
Performance Review

For the fourth quarter, the Calamos U.S. Mid Cap Growth strategy underperformed the Russell Midcap Growth Index, returning -3.86% gross of fees (-4.02% net) versus 1.69%. We share in our clients' disappointment that the recent performance of the strategy has fallen short of its longer-term record. As we discuss throughout this report, we are in the process of making adjustments to the portfolio, in keeping with our cautiously optimistic economic outlook and commitment to improving performance. Within the portfolio, allocation and selection decisions within financials, as well as security selection in consumer discretionary and materials, accounted for most of the underperformance.

During the quarter, the most significant contributors to and detractors from performance were:

Information Technology. The information technology sector was one of the worst performing areas within the index for the quarter, and the portfolio's overweight allocation hampered returns. In addition, security selection within the sector lagged on





Source: Calamos Advisors LLC and Mellon Analytical Solutions LLC. Past performance is no guarantee of future results.

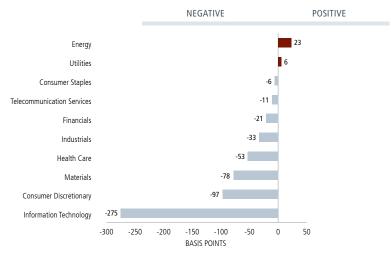
Data as of 12/31/12.

All portfolio positioning and sector information is for a representative portfolio. Please see page four for additional information.

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FIGURE 2. REPRESENTATIVE PORTFOLIO PERFORMANCE VERSUS RUSSELL MIDCAP GROWTH INDEX

FOURTH QUARTER 2012



Attribution based on gross of fee performance with dividends reinvested. Performance attribution excludes any government/sovereign bonds or options on broad market indexes the portfolio may hold.

Past performance is no guarantee of future results.

Source: Calamos Advisors LLC Data as of 12/31/12.

a relative basis. Specifically, positions in the computer hardware industry underperformed, and an overweight allocation and selection within application software held back returns, as well. We maintain a highly constructive outlook on the sector and believe that many information technology companies are positioned to benefit from the long-term secular growth themes we have identified, including demand for products and services that provide access to information, enhance productivity, enable mobility and promote innovation. The sector also includes companies with higher cash flows, lower debt levels and cleaner balance sheets.

Consumer Discretionary. Security selection within the consumer discretionary sector detracted from performance. In particular, holdings within the apparel retail industry and apparel, accessories and luxury goods industry held back returns. Slowing economic conditions globally have contributed to a more cautious outlook for some retailing names. We continue to evaluate the portfolio's holdings within the sector and maintain a positive overall outlook regarding the fundamentals of these companies,

especially within the context of our cautiously optimistic global economic outlook. We see a resilient consumer in the U.S. as well as an increasingly powerful one in the emerging markets, particularly given recent indications of a rebound in China. We have sought companies that we believe are well positioned given our outlook—for example, those with stable balance sheets, strong global brands, and global business strategies. While the portfolio's largest holdings are within the Internet retail industry, investments are well diversified across industries.

Materials. An underweight allocation and security selection within the materials sector detracted from relative performance. On an industry level, a higher relative allocation to the gold mining and production industry held back returns. Gold mining companies have been particularly challenged by higher costs of extraction and production, as well as by the rising prices of mining infrastructure. While valuations and fundamentals of select companies within this industry remain attractive, we are looking to reduce our exposure to gold positions that were used as a global hedge against financial crises and further dollar debasement. Additionally, little to no exposure in the diversified and specialty chemicals industries also detracted, as these areas performed well in the quarter.

Energy. Security selection within the energy sector was positive and contributed to performance. Specifically, holdings within the oil-and-gas exploration-and-production industry outperformed those of the benchmark. The portfolio's overweight to the oil-and-gas drilling industry also added to performance. Our focus remains on the oil-and-gas drilling, exploration-and-production and equipment-and-services industries. These are industries with relatively stronger growth fundamentals that are less tied to the price of underlying commodities. We believe that slow but continued global economic growth (including rebounding

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FIGURE 3. SECTOR ALLOCATIONS VERSUS RUSSELL MIDCAP GROWTH INDEX

SECTOR	REPRESENTATIVE PORTFOLIO %	RUSSELL MIDCAP GROWTH INDEX	PORTFOLIO SECTOR WEIGHTING CHANGE SINCE 9/30/12 (PCT. POINTS)	UNDER/OVERWEIGHT %
Information Technology	33.1%	17.0%	-3.7%	16.1
Consumer Discretionary	24.4	25.1	6.7	-0.7
Health Care	12.4	12.9	-0.4	-0.5
Industrials	11.5	15.3	1.7	-3.8
Energy	8.7	5.2	0.3	3.5
Financials	4.4	7.5	-0.1	-3.1
Consumer Staples	3.2	7.7	-1.8	-4.5
Materials	2.3	6.7	-2.7	-4.4
Telecommunication Services	0.0	1.9	0.0	-1.9
Utilities	0.0	0.7	0.0	-0.7
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Source: Calamos Advisors LLC. This strategy is actively managed. Holdings, weightings and allocations are subject to change daily. Sector weightings exclude any government/sovereign bonds or options on broad market indexes the portfolio may hold.

Data as of 12/31/12.

economic data in emerging markets), and global accommodative monetary policy can support opportunities within the energy sector

Positioning

The strategy's recent underperformance has compelled us to revisit the portfolio at all levels. We continue to position the portfolio in companies with diversified revenue segments and global business strategies, as we believe such companies provide attractive long-term risk and return characteristics. We maintain a combination of stable growth and cyclical growth holdings in the portfolio. During the period, we positioned the portfolio to reflect a more constructive outlook and sought to remove some reflation exposure.

We believe recent market movements indicate that investors are returning to more of a bottom-up focus, with greater distinctions being made on the basis of corporate fundamentals. This is encouraging, as we have emphasized companies with stronger fundamentals. Portfolio characteristics reflect higher free cash flows and lower debt-to-capital than the benchmark.

Among positioning changes during the fourth quarter, we significantly pared the portfolio's allocation to the materials sector,

most notably within the metals and mining industry, taking the sector from an overweight to an underweight allocation versus the benchmark. As discussed, the portfolio's exposure to the gold mining and production industry had been utilized as a global hedge against financial crises and further dollar debasement. Given highly accommodative global monetary policy and positive macroeconomic developments, we believe tail risk has been reduced. Exposure to select firms within the industry will reflect our view of relative opportunities and corporate fundamentals.

Based on the strength we see in consumer trends, we increased the portfolio's allocation to the consumer discretionary sector, adding companies broadly across industries such as footwear, home furnishing retail, leisure products and specialty stores. We also increased the portfolio's allocation to industrials, adding positions within the construction, farm machinery, electrical components and equipment, and trading companies and distributors industries. On the whole, we favored companies most closely tied to the global infrastructure build-out in emerging markets.

The portfolio's largest allocations in absolute terms include the information technology, consumer discretionary and health care sectors. Relative to the Russell Midcap Growth Index, the

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portfolio's largest overweight allocation is to the information technology sector. Details regarding the portfolio's positioning in information technology and consumer discretionary have been discussed above. Within health care, we seek investments that meet our criteria for innovation, higher cash flows and strong corporate fundamentals. We also favor industries that are further removed from government regulations, with health care equipment companies serving as an example. Our growth criteria have also led us to opportunities within the biotechnology and pharmaceutical industries.

The portfolio's allocation to financials remains underweight versus the benchmark. We have generally held a low weight in the sector due to our concerns regarding complex global regulations and potential capital risks. We believe the relative merits of the sector have improved, however. Loan growth, attractive valuations, better prospects in the housing market and consumer balance sheets support our more positive view.

Outlook

We believe that the positioning changes we have begun to make provide increased opportunities to participate in the growth potential we see in a slowly recovering global economy. As we noted, we are encouraged to see indications that markets participants are paying increased attention to fundamentals. We believe that prospects remain compelling for equities on the whole, and particularly for growth equities.

In our view, political volatility has prevented investors from appropriately valuing the equity markets. Valuations remain compelling by many of our measures. Solid corporate earnings have fueled most of the U.S. market gains, while valuations, when viewed on trailing earnings, have risen only modestly (from 13.08 at year-end 2011 to 14.50 at year-end 2012).

For a more detailed review of our macro thoughts, please read our latest Global Economic Review and Outlook posted on calamos.com.

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 information portrayed is for the Calamos Mid Cap Growth 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 experienced 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.

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. The information provided 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 an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings.

It should not be assumed that any of the securities transactions or holdings discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein.

Returns presented reflect the Calamos Mid Cap Growth Composite which is an actively managed composite investing in common stocks, primarily in high-growth industries and companies. Ordinarily, constituent portfolios are primarily invested in equities of medium capitalization U.S. companies with market capitalizations between \$1 billion and the capitalization of the largest company in the Russell Midcap Growth Index at time of purchase. The Composite was created September 1, 2009 calculated with an inception date of February 1, 2003 and includes all fully discretionary, fee paying accounts including those no longer with the Firm.

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 Russell Midcap Growth Index measures the performance of those Russell Midcap companies with higher price to book ratios and higher growth values.

Unless otherwise noted, index returns reflect the reinvestment of income dividends and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing.

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. Fees include the investment advisory fee charged by Calamos Advisors LLC. Returns greater than 12 months are annualized. All returns are net of commission and other similar fees charged on securities transactions and include reinvestment of net realized gains and interest. Chart Data Sources: Calamos Advisors LLC.

Average annual total return measures net investment income and capital gain or loss from portfolio investments as an annualized average assuming reinvestment of dividends and capital gains distributions.

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:

Calamos Advisors LLC 2020 Calamos Court Naperville, IL 60563-2787 Attn: Compliance Officer



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