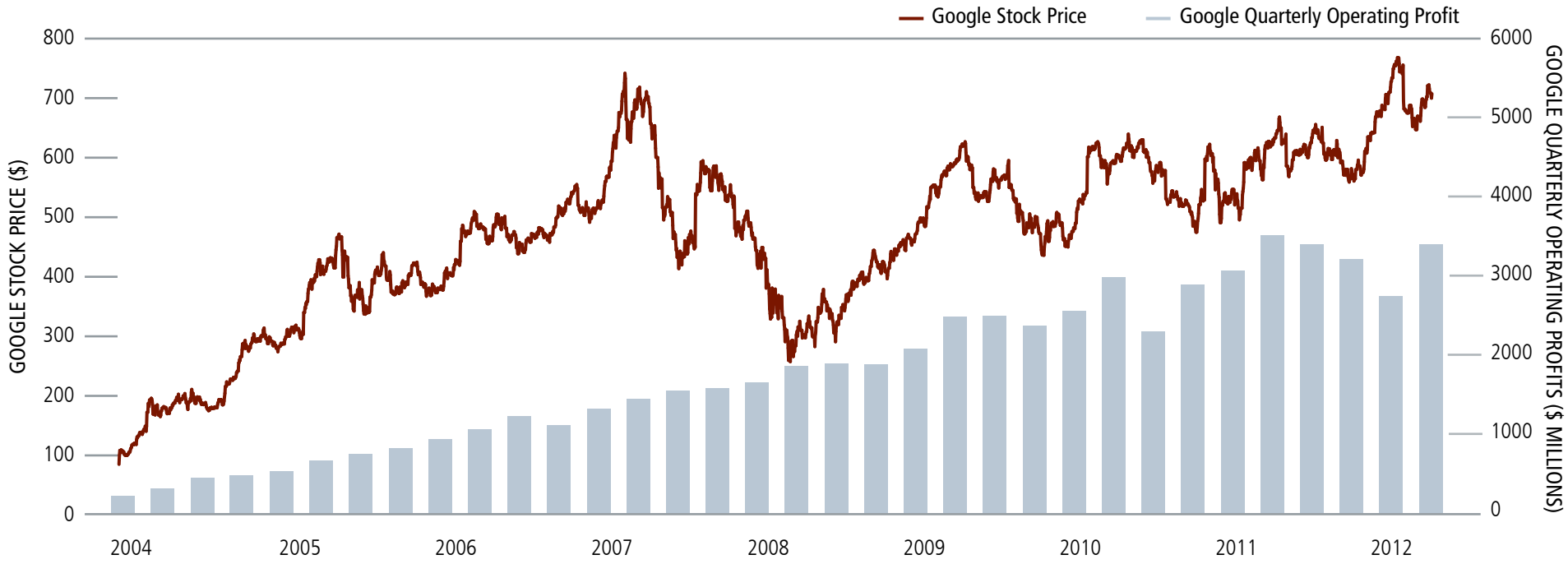
Growth Fundamentals

CALAMOS®

Short-Term Stock Volatility May Not Reflect Long-Term Strength of a Growth Company

- Market volatility can often precipitate dramatic swings in a company's year-to-year market performance, even as a key growth statistic like operating income can remain mostly steady and climbing over the same period.
- While this type of market volatility can be unsettling for investors in the short term, we believe companies with strong underlying fundamentals are often well-positioned for long-term success.
- Even a company like Google has been prone to volatility despite a mostly steady rise in operating profit.
- This type of disparity argues for the value of a long-term perspective when it comes to investing in growth companies.

Google Stock Price Versus Operating Profit



Source: Morningstar and Bloomberg. Data as of 12/31/2012.

Past performance is no guarantee of future results.

The security highlighted above has been selected based on its significance and is shown for illustrative purposes only. This is not a recommendation.

Growth Fundamentals: Our Approach to Growth

At Calamos, we have been managing growth equities for over 20 years. We seek quality growth and are positioned with an eye on companies with lower debt and higher return on capital – what we believe are key elements for growth investing now. By applying our time-tested, proprietary investment process of qualitative and quantitative analysis, we attempt to determine those sources of sustainable growth around the world and seek out those companies that are poised to lead with global brands, geographically diversified revenues and products that address the growing need for consumer connectivity.

GLOBAL BRANDS

» Brand Recognition
» Global Distribution
» Global Management Expertise

QUANTITATIVE SCREENING

» Growth Metrics, including ROIC, Revenue, Earnings, Margins, etc.
» Timeliness Factors, including Relative Strength and Volatility

CONSUMER CONNECTIVITY

» Software Companies
» Entertainment Technology
» Cloud Computing

FUNDAMENTAL ANALYSIS

» Capital Structure Analysis
» Qualitative Assessment
» Intrinsic Value Determination
» Relative Valuation

GEOGRAPHIC REVENUE DIVERSIFICATION

» Global Diversified Revenue Generation
» Reduce G3 Exposure
» Targeting Emerging Market Middle Class

The Calamos sales team can help identify the growth equity solutions that best fit your clients' asset allocation needs. Contact them at 800.582.6959 (Monday through Friday, from 8:00 a.m. to 6:00 p.m., Central Time).

CALAMOS®

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

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