

CALAMOS CONVERTIBLE & HIGH INCOME FUND  
Form N-CSRS  
June 26, 2009

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM N-CSR  
CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES  
INVESTMENT COMPANY ACT FILE NUMBER: 811-21319**

EXACT NAME OF REGISTRANT AS SPECIFIED IN CHARTER:     **Calamos Convertible  
and High Income Fund**

ADDRESS OF PRINCIPAL EXECUTIVE OFFICES:                 2020 Calamos Court, Naperville,  
Illinois 60563-2787

NAME AND ADDRESS OF AGENT FOR SERVICE:                 John P. Calamos, Sr., President  
Calamos Advisors LLC  
2020 Calamos Court  
Naperville, Illinois  
60563-2787

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE:     (630) 245-7200

DATE OF FISCAL YEAR END:     October 31, 2009

DATE OF REPORTING PERIOD:     November 1, 2008 through April 30, 2009

---

**ITEM 1. REPORTS TO SHAREHOLDERS**

Include a copy of the report transmitted to stockholders pursuant to Rule 30e-1 under the Act (17 CFR 270. 30e-1).

---

## Managing Your Calamos Funds Investments

Calamos Investments offers several convenient means to monitor, manage and feel confident about your Calamos investment choice.

### TABLE OF CONTENTS

Letter to Shareholders	1
Investment Team Discussion	3
Schedule of Investments	5
Statement of Assets and Liabilities	13
Statement of Operations	14
Statements of Changes In Net Assets	15
Statement of Cash Flows	16
Notes to Financial Statements	17
Financial Highlights	26
Report of Independent Registered Public Accounting Firm	27
About Closed-End Funds	30
Level Rate Distribution Policy and Automatic Dividend Reinvestment Plan	31
The Calamos Investments Advantage	32
Calamos Closed-End Funds	33

### PERSONAL ASSISTANCE

**800.582.6959**

Dial this toll-free number to speak with a knowledgeable Client Services Representative who can help answer questions or address issues concerning your Calamos Fund

### YOUR FINANCIAL ADVISOR

We encourage you to talk to your financial advisor to determine how Calamos Investments can benefit your investment portfolio based on your financial goals, risk tolerance, time horizon and income needs

**Go Paperless!**

**Sign Up for e-Delivery**

It's convenient, timely and helps reduce mailbox clutter.

You can view shareholder communications, including fund prospectuses, annual reports and other shareholder materials online long before the printed publications would have arrived by traditional mail.

Visit **www.calamos.com** and sign up for e-delivery.

Visit **www.calamos.com** for timely fund performance, detailed fund profiles,  
fund news and insightful market commentary.

---

Letter to Shareholders

**About the Fund**

CHY utilizes a blend of high-yield and convertible securities to produce a stream of income paid out on a monthly basis.

The Fund's dynamic asset allocation approach and broad investment universe provides enhanced opportunities to pursue income and total returns.

Invests primarily in U.S. markets.

Dear Fellow Shareholder:

Enclosed is your semiannual report for the six months ended April 30, 2009. We appreciate the opportunity to correspond with you. Please carefully review this report, which includes Fund commentary from our investment team. The report also includes a listing of portfolio holdings, financial data and highlights, as well as detailed information about the performance and allocations of the Fund.

Early in the reporting period, we saw a continuation of extraordinary markets that unfolded in the summer of 2008. Throughout the opening months of the period, the markets reflected the anguish around the health of the financial system. Anxiety about the credit crisis, financial and auto industries, government stimulus plans and economic data contributed to a climate of extreme investor pessimism. Even securities issued by fundamentally strong companies saw their values plummet as the markets were roiled by volatility. These widespread declines continued through March 9, when the S&P 500 bottomed out at 676.53, a 13-year low.

However, the tide changed markedly during the later portion of the period, with markets staging a robust and much-welcomed rally off March lows. Investor sentiment was boosted by improving conditions in the credit markets, signs of life in the new issue debt markets, an upturn in global trade, strengthening in the manufacturing sector, increased business activity, rebounding mortgage applications and indications of housing starts reaching a short-term bottom. Central banks and governments around the world remained focused on shoring up investor confidence and attempting to stimulate normal economic activity.

Given the recent extreme gyrations, many investors wonder if the markets are poised for a lasting rebound or if another downturn looms ahead. The fact remains that bear and bull markets can only be identified in hindsight. Because of this, we caution against trying to time the turns. Instead, we encourage investors to follow a patient and disciplined approach, guided by their long-term objectives and risk tolerance. It's important to remember that opportunities exist in turbulent types of market environments. We believe the difference is that in the down markets, experience matters.

Since our early days in the 1970s, we've invested through many difficult periods. Although every market is different, we believe that our time-tested one team, one process approach, long-term perspective and exacting independent research will allow us to position the Fund advantageously for the road ahead. We comprehensively evaluate

companies and securities on their independent merits, within each portfolio as a whole, and also within the context of the evolving political and economic landscape.

Systemic risk has begun to abate; we have seen encouraging signs that the investing environment has improved. However, the global economy must address a confluence of economic, political and market influences. This will take time, and trial and error. We would not be surprised if we see volatile sideways-moving markets for the next several years. Nonetheless, we are looking positively to the future. We believe that emotion-driven selling has created select opportunities for long-term investors, across numerous asset classes. Many securities are trading at extremely attractive prices given their issuers' underlying fundamentals.

Letter to Shareholders

Broadly speaking, we continue to favor issuers with stronger balance sheets and the ability to grow without relying on the capital markets. We emphasize companies with global leadership positions, well-recognized brands and capable management teams. Our investment process also reflects long-term thematic influences, such as productivity improvements, globalization, and infrastructure building.

Shortly after the beginning of the reporting period, the Fund's Board of Trustees elected to reduce the distributions in response to the very challenging market environment. We believe that the Fund's current distribution rate remains competitive in this interest rate environment, compared to other investment vehicles. The Board continues to monitor economic conditions and will set the distribution rate accordingly.

The Fund's Board of Directors also recently reviewed the costs and benefits associated with refinancing the Fund's outstanding Auction Rate Preferred Securities and concluded that such refinancing in today's low interest rate environment was in the best interest of both common and preferred shareholders of the Calamos funds. More information regarding the refinancing will be made available in upcoming announcements.

If you have any questions about your portfolio, please speak to your financial advisor or contact us at 800.582.6959, Monday through Friday from 8:00 a.m. to 6:00 p.m., Central Time. I also encourage you to visit our website at [calamos.com](http://calamos.com) on a regular basis, for updated commentary and more information about your funds.

We thank you for the opportunity to help you achieve your investment goals and look forward to serving you in the years to come.

Sincerely,

**John P. Calamos, Sr.**  
Chairman, CEO and Co-CIO  
Calamos Advisors LLC

*This report is for informational purposes and should not be considered investment advice.*

Convertible and High Income Fund  
2 **SEMIANNUAL REPORT** Letter to Shareholders

---

## Investment Team Discussion

The Calamos Investment Management Team, led by Co-Chief Investment Officers John P. Calamos, Sr. and Nick P. Calamos, CFA, discusses the Fund's performance, strategy and positioning during the 6-month period ended April 30, 2009.

**TOTAL RETURN\*****Common Shares Inception 05/28/03**

	<b>6 Months</b>	<b>1 Year</b>	<b>Since Inception**</b>
On Share Price	8.72%	-28.63%	1.26%
On NAV	22.33%	-23.47%	3.20%

\*Total return measures net investment income and capital gain or loss from portfolio investments, assuming reinvestment of income and capital gains distributions.

\*\*Annualized since inception.

**SECTOR ALLOCATION**

Information Technology	18.3%
Consumer Discretionary	17.7
Financials	11.4
Energy	10.1
Consumer Staples	10.0
Industrials	9.1
Materials	9.0
Health Care	8.2
Telecommunication Services	3.7
Utilities	0.4

Sector allocations are based on managed assets and may vary over time.

Calamos Convertible and High Income Fund (CHY) seeks total return through a combination of capital appreciation and current income by investing in a diversified portfolio of convertible securities and below-investment-grade (high-yield) fixed-income securities. This Fund's enhanced fixed-income strategy spans the credit quality range and uses a variety of debt instruments to achieve its objective. The strategy provides an alternative to investment-grade fixed-income instruments. With an emphasis on information technology and a bias toward higher quality securities, the Fund outperformed the high-yield and convertible markets on a net asset value (NAV) basis.

The underlying portfolio (as represented by net asset value, or NAV) of Calamos Convertible and High Income Fund (CHY) rose 22.33% for the 6-month period ended April 30, 2009. In comparison, the Credit Suisse High Yield Index<sup>1</sup> rose 12.39% and the Merrill Lynch All U.S. Convertibles Ex Mandatory Index<sup>2</sup> rose 10.75%. On a market price basis, the Fund returned 8.72% assuming reinvestment of distributions.



Both security selection and sector allocation helped performance versus the Credit Suisse High Yield Index during the period. Security selection in the information-technology sector, in particular in the semiconductors and application software industries, added the most value during the period. Also, issue selection and an underweight position to the consumer-discretionary sector, in particular in the Internet retail industry, added to relative returns. An overweight position and selection in the consumer-staples sector added to relative returns as our names in the packaged foods industry performed well.

#### **SINCE INCEPTION MARKET PRICE AND NAV HISTORY**

The portfolio's bias to higher quality issues helped performance. Within the Credit Suisse High Yield Index, the higher quality tiers (BBB & BB rated) outperformed the

## Investment Team Discussion

lower quality tiers (B & CCC rated) during the period. The Fund's average credit rating was BB+ compared with B+ in the index. Convertible bonds within the portfolio outperformed straight corporate bonds as convertibles reverted to fair value from the recent extreme discounts that reached their lows just prior to the end of October.

In contrast, weak selection in the financial sector detracted the most value relative to the Credit Suisse index as our holdings within the diversified financial services and consumer finance industries underperformed. While some deeply depressed bonds have had some gains (financial-sector corporate bonds were the best performers in the index during the period), we are not convinced the time is right to re-enter the sector. Also, an underweight position in the telecommunication-services sector detracted from relative returns.

<sup>1</sup> The Credit Suisse High Yield Index is an unmanaged index of high yield debt securities. Source: Mellon Analytical Solutions, LLC.

<sup>2</sup> The Merrill Lynch All U.S. Convertibles Ex Mandatory Index represents the U.S. convertibles market excluding mandatory convertibles. Source: Mellon Analytical Solutions, LLC.

## Schedule of Investments

APRIL 30, 2009 (UNAUDITED)

PRINCIPAL AMOUNT		VALUE
<b>CORPORATE BONDS (81.3%)</b>		
	<i>Consumer Discretionary (18.2%)</i>	
4,559,000	Asbury Automotive Group, Inc.Û 7.625%, 03/15/17	\$ 2,758,195
986,000	Boyd Gaming Corp. 7.125%, 02/01/16	724,710
3,943,000	Cooper Tire & Rubber Company 8.000%, 12/15/19	2,168,650
3,943,000	D.R. Horton, Inc. <sup>1</sup> 7.875%, 08/15/11	3,923,285
14,147,000	DIRECTV Financing Company, Inc. <sup>1</sup> 8.375%, 03/15/13	14,429,940
6,211,000	DISH Network Corp. 7.125%, 02/01/16	5,838,340
11,830,000	Expedia, Inc.~ 7.456%, 08/15/18	10,765,300
6,679,000	GameStop Corp. 8.000%, 10/01/12	6,812,580
6,408,000	General Motors Corp.Û** 7.200%, 01/15/11	736,920
4,732,000	7.125%, 07/15/13	473,200
4,929,000	Goodyear Tire & Rubber Company 7.000%, 03/15/28	2,932,755
7,147,000	Hanesbrands, Inc. 5.698%, 12/15/14	5,503,190
9,168,000	Hasbro, Inc. <sup>1</sup> 6.600%, 07/15/28	7,610,613
4,929,000	Interpublic Group of Companies, Inc. 7.250%, 08/15/11	4,608,615
1,479,000	J.C. Penney Company, Inc. <sup>1</sup> 7.650%, 08/15/16	1,340,443
822,000	9.000%, 08/01/12	825,059
2,938,000	Jarden Corp.Û 7.500%, 05/01/17	2,614,820
3,165,000		158,250

Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

	Kellwood Company	
	7.625%, 10/15/17	
3,450,000	Liberty Media Corp.	
	8.250%, 02/01/30	2,205,295
3,869,000	Mandalay Resort Group	
	7.625%, 07/15/13	1,102,665
9,149,000	Oxford Industries, Inc. <sup>1</sup>	
	8.875%, 06/01/11	7,639,415
937,000	Phillips-Van Heusen Corp.	
	8.125%, 05/01/13	922,945
4,929,000	Pulte Homes, Inc.	
	7.875%, 08/01/11	4,941,323
	Royal Caribbean Cruises, Ltd.	
11,731,000	7.500%, 10/15/27	7,390,530
2,465,000	7.000%, 06/15/13	1,922,700
	Service Corp. International	
8,380,000	7.500%, 04/01/27	6,515,450
2,958,000	7.625%, 10/01/18	2,713,965
1,479,000	Sotheby's Holdings, Inc.* <sup>1</sup>	
	7.750%, 06/15/15	1,072,275
8,478,000	Vail Resorts, Inc. <sup>1</sup>	
	6.750%, 02/15/14	7,672,590
1,972,000 GBP	Warner Music Group Corp.	
	8.125%, 04/15/14	1,677,434
		120,001,452
	<b>Consumer Staples (10.5%)</b>	
5,304,000	Alliance One International, Inc. <sup>1</sup>	
	8.500%, 05/15/12	4,747,080
13,802,000	Anheuser-Busch InBev, NV <sup>1</sup>	
	5.000%, 03/01/19	12,001,184
5,422,000	Chattem, Inc.	
	7.000%, 03/01/14	5,259,340
6,161,000	Chiquita Brands International, Inc.Ù	
	8.875%, 12/01/15	5,267,655
4,771,000	Constellation Brands, Inc.	
	7.250%, 09/01/16	4,627,870
5,575,000	Del Monte Foods Company	
	8.625%, 12/15/12	5,714,375
4,436,000	NBTY, Inc.	
	7.125%, 10/01/15	4,014,580
	Pilgrim's Pride Corp.**	
7,837,000	8.375%, 05/01/17	5,466,308
2,514,000	7.625%, 05/01/15Ù	2,030,055
	Reynolds American, Inc. <sup>1</sup>	
6,408,000	7.300%, 07/15/15	5,850,523
3,943,000	7.625%, 06/01/16	3,588,130
3,943,000	7.250%, 06/15/37~	2,978,712
	Smithfield Foods, Inc.	
9,858,000	7.750%, 07/01/17	6,407,700

Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

1,972,000	7.750%, 05/15/13	1,400,120
		69,353,632
	<b><i>Energy (11.9%)</i></b>	
7,394,000	Arch Western Finance, LLC <sup>1</sup>	
	6.750%, 07/01/13	6,488,235
3,746,000	Bristow Group, Inc.	
	7.500%, 09/15/17	3,052,990
	Chesapeake Energy Corp.	
3,943,000	9.500%, 02/15/15	4,002,145
3,184,000	6.875%, 11/15/20~	2,610,880
2,465,000	Complete Production Services, Inc.~	
	8.000%, 12/15/16	1,836,425
7,441,000	Dresser-Rand Group, Inc.	
	7.375%, 11/01/14	6,659,695
986,000	GulfMark Offshore, Inc.	
	7.750%, 07/15/14	833,170
9,858,000	Helix Energy Solutions Group, Inc.*	
	9.500%, 01/15/16	7,048,470
2,686,000	Hornbeck Offshore Services, Inc.	
	6.125%, 12/01/14	2,229,380

Convertible and High Income Fund  
Schedule of Investments **SEMIANNUAL REPORT** 5

See accompanying Notes to Schedule of Investments

---

## Schedule of Investments

APRIL 30, 2009 (UNAUDITED)

PRINCIPAL AMOUNT		VALUE
2,884,000	Mariner Energy, Inc. 8.000%, 05/15/17	\$ 2,105,320
6,802,000	Petrohawk Energy Corp. <sup>1</sup> 7.125%, 04/01/12	6,376,875
7,492,000	Superior Energy Services, Inc. <sup>1</sup> 6.875%, 06/01/14	6,592,960
2,958,000	Swift Energy Company 7.625%, 07/15/11	2,395,980
17,252,000	Valero Energy Corp. <sup>1</sup> 7.500%, 06/15/15	17,174,866
3,519,000	Whiting Petroleum Corp. 7.250%, 05/01/12	3,219,885
6,852,000	Williams Companies, Inc.~ 7.750%, 06/15/31	5,838,185
		78,465,461
	<b><i>Financials (8.2%)</i></b>	
7,887,000	Ford Motor Credit Company, LLC 8.625%, 11/01/10	6,982,724
6,161,000	9.875%, 08/10/11	5,393,740
10,844,000	Host Hotels & Resorts, Inc. 7.125%, 11/01/13	10,247,580
7,206,000	Leucadia National Corp. 8.125%, 09/15/15	6,089,070
5,915,000	7.000%, 08/15/13	5,116,475
6,901,000	Nuveen Investments, Inc.* 10.500%, 11/15/15	3,519,510
937,000	Omega Healthcare Investors, Inc. 7.000%, 04/01/14	878,437
4,929,000	Senior Housing Properties Trust 8.625%, 01/15/12 <sup>1</sup>	4,756,485
3,483,000	7.875%, 04/15/15 <sup>U</sup>	3,065,040
12,816,000	SLM Corp. <sup>1</sup> 8.450%, 06/15/18	7,816,299

		53,865,360
	<b><i>Health Care (0.3%)</i></b>	
1,972,000	Bio-Rad Laboratories, Inc. 7.500%, 08/15/13	1,942,420
	<b><i>Industrials (8.0%)</i></b>	
3,943,000	BE Aerospace, Inc. 8.500%, 07/01/18	3,578,273
1,055,000	Belden, Inc. 7.000%, 03/15/17	933,675
986,000	Cummins, Inc.~ 7.125%, 03/01/28	731,317
1,883,000	Deluxe Corp.~ 7.375%, 06/01/15	1,459,325
13,802,000	Esterline Technologies Corp.Û 7.750%, 06/15/13	13,284,425
3,450,000	Gardner Denver, Inc. 8.000%, 05/01/13	3,027,375
1,479,000	GATX Corp.~ 8.875%, 06/01/09	1,481,529
1,844,000	H&E Equipment Service, Inc. 8.375%, 07/15/16	1,263,140
5,816,000	Interline Brands, Inc. 8.125%, 06/15/14	5,583,360
1,972,000 GBP	Iron Mountain, Inc.* 7.250%, 04/15/14	2,683,894
3,155,000	Kansas City Southern 13.000%, 12/15/13	3,360,075
	Terex Corp. 8.000%, 11/15/17Û	5,693,325
6,901,000		1,662,520
1,868,000	Trinity Industries, Inc. <sup>1</sup> 6.500%, 03/15/14	2,635,290
3,204,000	Wesco Distribution, Inc. 7.500%, 10/15/17	1,513,510
1,972,000	Westinghouse Air Brake Technologies Corp. 6.875%, 07/31/13	3,795,138
		52,686,171
	<b><i>Information Technology (12.2%)</i></b>	
	Amkor Technology, Inc. 9.250%, 06/01/16Û	8,884,750
10,154,000		2,647,410
2,958,000	Anixter International, Inc. 5.950%, 03/01/15	3,967,845
4,929,000	Arrow Electronics, Inc.~ 6.875%, 06/01/18	2,343,163
2,701,000	Celestica, Inc. <sup>1</sup> 7.625%, 07/01/13	8,002,900
8,380,000		

Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

3,943,000	7.875%, 07/01/11	3,923,285
1,972,000	Flextronics International, Ltd.~ 6.500%, 05/15/13	1,858,610
5,866,000	Freescall Semiconductor, Inc. 8.875%, 12/15/14	2,023,770
4,929,000	Jabil Circuit, Inc. 8.250%, 03/15/18	4,091,070
5,915,000	Lender Processing Services, Inc. <sup>1</sup> 8.125%, 07/01/16	5,885,425
1,972,000	Lexmark International, Inc. <sup>1</sup> 5.900%, 06/01/13	1,783,670
1,627,000	6.650%, 06/01/18	1,301,600
1,972,000	Motorola, Inc. 8.000%, 11/01/11	1,969,346
1,479,000	National Semiconductor Corp. <sup>1</sup> 6.150%, 06/15/12	1,332,971
2,958,000	NXP, BV 7.875%, 10/15/14	1,050,090
3,450,000	Seagate Technology 6.800%, 10/01/16	2,501,250
8,774,000	SunGard Data Systems, Inc. 9.125%, 08/15/13	8,423,040

Convertible and High Income Fund

6 **SEMIANNUAL REPORT** Schedule of Investments

See accompanying Notes to Schedule of Investments

---



## Schedule of Investments

APRIL 30, 2009 (UNAUDITED)

PRINCIPAL AMOUNT		VALUE
20,210,000	Xerox Corp. <sup>1</sup> 7.625%, 06/15/13	\$ 18,609,065
		80,599,260
	<i>Materials (6.6%)</i>	
2,070,000	Airgas, Inc.* 7.125%, 10/01/18	2,018,250
1,972,000	Anglo American, PLC* <sup>1</sup> 9.375%, 04/08/14	2,048,336
2,958,000	Ball Corp. 6.875%, 12/15/12	2,972,790
2,355,000	Boise Cascade Holdings, LLC 7.125%, 10/15/14	1,053,862
5,915,000 EUR	Ineos Group Holdings, PLC* 7.875%, 02/15/16	1,350,008
986,000	8.500%, 02/15/16	152,830
3,401,000	Mosaic Company* <sup>1</sup> 7.625%, 12/01/16	3,422,865
8,873,000	Neenah Paper, Inc. 7.375%, 11/15/14	3,593,565
2,465,000	P.H. Glatfelter Company 7.125%, 05/01/16	2,095,250
4,929,000	Sealed Air Corp.* <sup>1</sup> 6.875%, 07/15/33	3,254,821
2,750,000	Steel Dynamics, Inc.* 7.750%, 04/15/16	2,186,250
9,365,000	Terra Industries, Inc. 7.000%, 02/01/17	8,849,925
1,972,000	Texas Industries, Inc. 7.250%, 07/15/13	1,636,760
4,781,000	Union Carbide Corp. <sup>1</sup> 7.875%, 04/01/23	3,514,097
3,204,000	7.500%, 06/01/25	2,113,317
3,648,000	Westlake Chemical Corp. 6.625%, 01/15/16	2,827,200

		43,090,126
	<b><i>Telecommunication Services (4.8%)</i></b>	
5,954,000	CenturyTel, Inc. <sup>1</sup> 6.875%, 01/15/28	4,371,135
8,084,000	Frontier Communications Corp. 9.000%, 08/15/31	6,467,200
6,901,000	Leap Wireless International, Inc. <sup>1</sup> 9.375%, 11/01/14	6,866,495
6,901,000	Qwest Communications International, Inc. 7.750%, 02/15/31	4,934,215
6,901,000	Sprint Nextel Corp. 7.375%, 08/01/15	4,960,094
4,436,000	Syniverse Technologies, Inc. <sup>1</sup> 7.750%, 08/15/13	3,792,780
		31,391,919
	<b><i>Utilities (0.6%)</i></b>	
6,901,000	Energy Future Holdings Corp. <sup>Ü</sup> 10.250%, 11/01/15	3,950,823
	<b>TOTAL CORPORATE BONDS</b> (Cost \$657,137,084)	535,346,624
	<b>CONVERTIBLE BONDS (30.2%)</b>	
	<b><i>Consumer Discretionary (2.6%)</i></b>	
5,000,000	Interpublic Group of Companies, Inc. 4.750%, 03/15/23	4,368,750
1,000,000	4.250%, 03/15/23	903,750
13,000,000	Liberty Media Corp. (Time Warner, Inc.) <sup>1Δ</sup> 3.125%, 03/30/23	10,708,750
2,320,000	Liberty Media Corp. (Viacom, CBS Corp. - Class B) <sup>1Δ</sup> 3.250%, 03/15/31	867,100
		16,848,350
	<b><i>Energy (2.2%)</i></b>	
11,000,000	Chesapeake Energy Corp. 2.250%, 12/15/38	6,146,250
12,000,000	SeaDrill, Ltd. 3.625%, 11/08/12	8,040,000
		14,186,250
	<b><i>Financials (1.5%)</i></b>	
4,270,000	Health Care REIT, Inc. <sup>1</sup> 4.750%, 07/15/27	3,997,787
1,000,000	4.750%, 12/01/26	957,500

Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

6,000,000	SVB Financial Group* <sup>1</sup> 3.875%, 04/15/11	4,777,500
		9,732,787
	<b><i>Health Care (5.5%)</i></b>	
11,500,000	Cubist Pharmaceuticals, Inc. <sup>1</sup> 2.250%, 06/15/13	9,588,125
20,000,000	Life Technologies Corp. <sup>1</sup> 3.250%, 06/15/25	20,175,000
7,000,000	Millipore Corp. 3.750%, 06/01/26	6,711,250
		36,474,375
	<b><i>Industrials (3.7%)</i></b>	
6,000,000	Energy Conversion Devices, Inc. <sup>1</sup> 3.000%, 06/15/13	3,727,500
13,500,000	L-3 Communications Holdings, Inc. <sup>1</sup> 3.000%, 08/01/35	13,567,500
13,000,000	Trinity Industries, Inc. 3.875%, 06/01/36	7,296,250
		24,591,250
	<b><i>Information Technology (13.3%)</i></b>	
10,000,000	Blackboard, Inc. <sup>1</sup> 3.250%, 07/01/27	9,450,000

Convertible and High Income Fund  
Schedule of Investments **SEMIANNUAL REPORT**

7

See accompanying Notes to Schedule of Investments

## Schedule of Investments

APRIL 30, 2009 (UNAUDITED)

PRINCIPAL AMOUNT		VALUE
7,000,000	Euronet Worldwide, Inc. <sup>1</sup> 3.500%, 10/15/25	\$ 5,713,750
14,000,000	Informatica Corp. 3.000%, 03/15/26	14,437,500
41,000,000	Intel Corp. <sup>1</sup> 2.950%, 12/15/35	35,362,500
21,000,000	Linear Technology Corp. <sup>1</sup> 3.000%, 05/01/27	17,508,750
6,000,000	ON Semiconductor Corp. 2.625%, 12/15/26	4,905,000
		87,377,500
	<b>Materials (1.0%)</b>	
5,590,000	Newmont Mining Corp. <sup>1</sup> 3.000%, 02/15/12	6,673,063
	<b>Telecommunication Services (0.4%)</b>	
3,000,000	NII Holdings, Inc. <sup>1</sup> 2.750%, 08/15/25	2,763,750
	<b>TOTAL CONVERTIBLE BONDS</b> (Cost \$236,057,096)	198,647,325
	<b>SYNTHETIC CONVERTIBLE SECURITIES (1.4%)</b>	
	<b>Corporate Bonds (1.2%)</b>	
	<b>Consumer Discretionary (0.3%)</b>	
66,000	Asbury Automotive Group, Inc. <sup>1</sup> 7.625%, 03/15/17	39,930
14,000	Boyd Gaming Corp. 7.125%, 02/01/16	10,290
57,000	Cooper Tire & Rubber Company 8.000%, 12/15/19	31,350
57,000	D.R. Horton, Inc. <sup>1</sup> 7.875%, 08/15/11	56,715
203,000		207,060

Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

	DIRECTV Financing Company, Inc. <sup>1</sup>	
	8.375%, 03/15/13	
89,000	DISH Network Corp.	
	7.125%, 02/01/16	83,660
170,000	Expedia, Inc. ~	
	7.456%, 08/15/18	154,700
96,000	GameStop Corp.	
	8.000%, 10/01/12	97,920
	General Motors Corp. Û**	
92,000	7.200%, 01/15/11	10,580
68,000	7.125%, 07/15/13	6,800
71,000	Goodyear Tire & Rubber Company	
	7.000%, 03/15/28	42,245
103,000	Hanesbrands, Inc.	
	5.698%, 12/15/14	79,310
132,000	Hasbro, Inc. <sup>1</sup>	
	6.600%, 07/15/28	109,577
71,000	Interpublic Group of Companies, Inc.	
	7.250%, 08/15/11	66,385
	J.C. Penney Company, Inc. <sup>1</sup>	
21,000	7.650%, 08/15/16	19,033
12,000	9.000%, 08/01/12	12,045
42,000	Jarden Corp. Û	
	7.500%, 05/01/17	37,380
45,000	Kellwood Company	
	7.625%, 10/15/17	2,250
50,000	Liberty Media Corp.	
	8.250%, 02/01/30	31,961
56,000	Mandalay Resort Group	
	7.625%, 07/15/13	15,960
131,000	Oxford Industries, Inc. <sup>1</sup>	
	8.875%, 06/01/11	109,385
13,000	Phillips-Van Heusen Corp.	
	8.125%, 05/01/13	12,805
71,000	Pulte Homes, Inc.	
	7.875%, 08/01/11	71,177
	Royal Caribbean Cruises, Ltd.	
169,000	7.500%, 10/15/27	106,470
35,000	7.000%, 06/15/13	27,300
	Service Corp. International	
120,000	7.500%, 04/01/27	93,300
42,000	7.625%, 10/01/18	38,535
21,000	Sotheby's Holdings, Inc.* <sup>1</sup>	
	7.750%, 06/15/15	15,225
122,000	Vail Resorts, Inc. <sup>1</sup>	
	6.750%, 02/15/14	110,410
28,000 GBP	Warner Music Group Corp.	
	8.125%, 04/15/14	23,817
		1,723,575

<i>Consumer Staples (0.1%)</i>		
76,000	Alliance One International, Inc. <sup>1</sup> 8.500%, 05/15/12	68,020
198,000	Anheuser-Busch InBev, NV <sup>1</sup> 5.000%, 03/01/19	172,166
78,000	Chattem, Inc. 7.000%, 03/01/14	75,660
89,000	Chiquita Brands International, Inc. <sup>Ù</sup> 8.875%, 12/01/15	76,095
69,000	Constellation Brands, Inc. 7.250%, 09/01/16	66,930
80,000	Del Monte Foods Company 8.625%, 12/15/12	82,000
64,000	NBTY, Inc. 7.125%, 10/01/15	57,920
113,000	Pilgrim s Pride Corp.** 8.375%, 05/01/17	78,818
36,000	Reynolds American, Inc. <sup>1</sup> 7.625%, 05/01/15 <sup>Ù</sup>	29,070
92,000	Reynolds American, Inc. <sup>1</sup> 7.300%, 07/15/15	83,996
57,000	Reynolds American, Inc. <sup>1</sup> 7.625%, 06/01/16	51,870
57,000	Reynolds American, Inc. <sup>1</sup> 7.250%, 06/15/37~	43,060

Convertible and High Income Fund

8 **SEMIANNUAL REPORT** Schedule of Investments

See accompanying Notes to Schedule of Investments

---

## Schedule of Investments

APRIL 30, 2009 (UNAUDITED)

PRINCIPAL AMOUNT		VALUE
142,000	Smithfield Foods, Inc. 7.750%, 07/01/17	\$ 92,300
28,000	7.750%, 05/15/13	19,880
		997,785
	<b><i>Energy (0.2%)</i></b>	
106,000	Arch Western Finance, LLC <sup>1</sup> 6.750%, 07/01/13	93,015
54,000	Bristow Group, Inc. 7.500%, 09/15/17	44,010
57,000	Chesapeake Energy Corp. 9.500%, 02/15/15	57,855
46,000	6.875%, 11/15/20~	37,720
35,000	Complete Production Services, Inc.~ 8.000%, 12/15/16	26,075
107,000	Dresser-Rand Group, Inc. 7.375%, 11/01/14	95,765
14,000	GulfMark Offshore, Inc. 7.750%, 07/15/14	11,830
142,000	Helix Energy Solutions Group, Inc.* 9.500%, 01/15/16	101,530
39,000	Hornbeck Offshore Services, Inc. 6.125%, 12/01/14	32,370
41,000	Mariner Energy, Inc. 8.000%, 05/15/17	29,930
98,000	Petrohawk Energy Corp. <sup>1</sup> 7.125%, 04/01/12	91,875
108,000	Superior Energy Services, Inc. <sup>1</sup> 6.875%, 06/01/14	95,040
42,000	Swift Energy Company 7.625%, 07/15/11	34,020
248,000	Valero Energy Corp. <sup>1</sup> 7.500%, 06/15/15	246,891
51,000	Whiting Petroleum Corp. 7.250%, 05/01/12	46,665

Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

98,000	Williams Companies, Inc.~ 7.750%, 06/15/31	83,500
		1,128,091
	<b>Financials (0.1%)</b>	
113,000	Ford Motor Credit Company, LLC 8.625%, 11/01/10	100,044
89,000	9.875%, 08/10/11	77,916
156,000	Host Hotels & Resorts, Inc. 7.125%, 11/01/13	147,420
104,000	Leucadia National Corp. 8.125%, 09/15/15	87,880
85,000	7.000%, 08/15/13	73,525
99,000	Nuveen Investments, Inc.* 10.500%, 11/15/15	50,490
13,000	Omega Healthcare Investors, Inc. 7.000%, 04/01/14	12,188
71,000	Senior Housing Properties Trust 8.625%, 01/15/12 <sup>1</sup>	68,515
50,000	7.875%, 04/15/15 <sup>Ù</sup>	44,000
184,000	SLM Corp. <sup>1</sup> 8.450%, 06/15/18	112,219
		774,197
	<b>Health Care (0.0%)</b>	
28,000	Bio-Rad Laboratories, Inc. 7.500%, 08/15/13	27,580
	<b>Industrials (0.1%)</b>	
57,000	BE Aerospace, Inc. 8.500%, 07/01/18	51,728
15,000	Belden, Inc. 7.000%, 03/15/17	13,275
14,000	Cummins, Inc.~ 7.125%, 03/01/28	10,384
27,000	Deluxe Corp.~ 7.375%, 06/01/15	20,925
198,000	Esterline Technologies Corp.Ù 7.750%, 06/15/13	190,575
50,000	Gardner Denver, Inc. 8.000%, 05/01/13	43,875
21,000	GATX Corp.~ 8.875%, 06/01/09	21,036
26,000	H&E Equipment Service, Inc. 8.375%, 07/15/16	17,810
84,000	Interline Brands, Inc. 8.125%, 06/15/14	80,640
28,000 GBP	Iron Mountain, Inc.* 7.250%, 04/15/14	38,108



Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

45,000	Kansas City Southern 13.000%, 12/15/13	47,925
	Terex Corp.	
99,000	8.000%, 11/15/17	81,675
27,000	7.375%, 01/15/14	24,030
46,000	Trinity Industries, Inc. <sup>1</sup> 6.500%, 03/15/14	37,835
28,000	Wesco Distribution, Inc. 7.500%, 10/15/17	21,490
57,000	Westinghouse Air Brake Technologies Corp. 6.875%, 07/31/13	54,862
		756,173
	<b><i>Information Technology (0.2%)</i></b>	
	Amkor Technology, Inc.	
146,000	9.250%, 06/01/16	127,750
42,000	7.750%, 05/15/13	37,590
71,000	Anixter International, Inc. 5.950%, 03/01/15	57,155
39,000	Arrow Electronics, Inc.~ 6.875%, 06/01/18	33,833
	Celestica, Inc. <sup>1</sup>	
120,000	7.625%, 07/01/13	114,600
57,000	7.875%, 07/01/11	56,715

Convertible and High Income Fund  
Schedule of Investments **SEMIANNUAL REPORT** 9

See accompanying Notes to Schedule of Investments

---

## Schedule of Investments

APRIL 30, 2009 (UNAUDITED)

PRINCIPAL AMOUNT		VALUE
28,000	Flextronics International, Ltd.~ 6.500%, 05/15/13	\$ 26,390
84,000	Freescale Semiconductor, Inc. 8.875%, 12/15/14	28,980
71,000	Jabil Circuit, Inc. 8.250%, 03/15/18	58,930
85,000	Lender Processing Services, Inc. <sup>1</sup> 8.125%, 07/01/16	84,575
28,000	Lexmark International, Inc. <sup>1</sup> 5.900%, 06/01/13	25,326
23,000	6.650%, 06/01/18	18,400
28,000	Motorola, Inc. 8.000%, 11/01/11	27,962
21,000	National Semiconductor Corp. <sup>1</sup> 6.150%, 06/15/12	18,927
42,000	NXP, BV 7.875%, 10/15/14	14,910
50,000	Seagate Technology 6.800%, 10/01/16	36,250
126,000	SunGard Data Systems, Inc. 9.125%, 08/15/13	120,960
290,000	Xerox Corp. <sup>1</sup> 7.625%, 06/15/13	267,028
		1,156,281
	<b>Materials (0.1%)</b>	
30,000	Airgas, Inc.* 7.125%, 10/01/18	29,250
28,000	Anglo American, PLC* <sup>1</sup> 9.375%, 04/08/14	29,084
42,000	Ball Corp. 6.875%, 12/15/12	42,210
34,000	Boise Cascade Holdings, LLC 7.125%, 10/15/14	15,215
	Ineos Group Holdings, PLC*	

Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

85,000 EUR	7.875%, 02/15/16	19,400
14,000	8.500%, 02/15/16	2,170
49,000	Mosaic Company* <sup>1</sup>	
	7.625%, 12/01/16	49,315
127,000	Neenah Paper, Inc.	
	7.375%, 11/15/14	51,435
35,000	P.H. Glatfelter Company	
	7.125%, 05/01/16	29,750
71,000	Sealed Air Corp.* <sup>1</sup>	
	6.875%, 07/15/33	46,884
40,000	Steel Dynamics, Inc.*	
	7.750%, 04/15/16	31,800
135,000	Terra Industries, Inc.	
	7.000%, 02/01/17	127,575
28,000	Texas Industries, Inc.	
	7.250%, 07/15/13	23,240
69,000	Union Carbide Corp. <sup>1</sup>	
	7.875%, 04/01/23	50,716
46,000	7.500%, 06/01/25	30,341
52,000	Westlake Chemical Corp.	
	6.625%, 01/15/16	40,300
		618,685
	<b><i>Telecommunication Services (0.1%)</i></b>	
86,000	CenturyTel, Inc. <sup>1</sup>	
	6.875%, 01/15/28	63,137
116,000	Frontier Communications Corp.	
	9.000%, 08/15/31	92,800
99,000	Leap Wireless International, Inc. <sup>1</sup>	
	9.375%, 11/01/14	98,505
99,000	Qwest Communications International, Inc.	
	7.750%, 02/15/31	70,785
99,000	Sprint Nextel Corp.	
	7.375%, 08/01/15	71,156
64,000	Syniverse Technologies, Inc. <sup>1</sup>	
	7.750%, 08/15/13	54,720
		451,103
	<b><i>Utilities (0.0%)</i></b>	
99,000	Energy Future Holdings Corp.Û	
	10.250%, 11/01/15	56,677
	<b>TOTAL CORPORATE BONDS</b>	<b>7,690,147</b>

**NUMBER OF  
CONTRACTS**

**VALUE**

***Purchased Options (0.2%)#***

	<b><i>Consumer Discretionary (0.1%)</i></b>		
	Nike, Inc. - Class B		
670	Call, 03/19/10, Strike \$60.00		298,150
550	Call, 01/16/10, Strike \$70.00		104,500
			402,650
	<b><i>Consumer Staples (0.0%)</i></b>		
1,350	Sysco Corp.		
	Call, 01/16/10, Strike \$30.00		54,000
1,050	Walgreen Company		
	Call, 01/16/10, Strike \$32.50		296,625
			350,625
	<b><i>Health Care (0.0%)</i></b>		
690	Gilead Sciences, Inc.		
	Call, 01/16/10, Strike \$55.00		163,875
	<b><i>Information Technology (0.1%)</i></b>		
80	Apple, Inc.		
	Call, 01/16/10, Strike \$170.00		36,400
630	QUALCOMM, Inc.		
	Call, 01/16/10, Strike \$45.00		269,325

Convertible and High Income Fund

10 **SEMIANNUAL REPORT** Schedule of Investments

See accompanying Notes to Schedule of Investments

---

## Schedule of Investments

APRIL 30, 2009 (UNAUDITED)

NUMBER OF CONTRACTS		VALUE
525	Call, 01/16/10, Strike \$50.00	\$ 134,400
		440,125
	TOTAL PURCHASED OPTIONS	1,357,275
	<b>TOTAL SYNTHETIC CONVERTIBLE SECURITIES</b> (Cost \$14,276,432)	9,047,422
NUMBER OF SHARES		VALUE
<b>CONVERTIBLE PREFERRED STOCKS (19.9%)</b>		
	<i>Consumer Discretionary (0.9%)</i>	
8,500	Stanley Works <sup>1</sup> 5.125%	5,686,500
	<i>Consumer Staples (3.4%)</i>	
410,000	Archer Daniels Midland Company <sup>1</sup> 6.250%	13,743,200
17,500	Bunge, Ltd. 5.125%	8,531,250
		22,274,450
	<i>Financials (4.9%)</i>	
160,000	Affiliated Managers Group, Inc. <sup>1</sup> 5.100%	4,280,000
175,000	American International Group, Inc. <sup>1</sup> 8.500%	894,250
19,500	Bank of America Corp. 7.250%	11,407,500
390,000	Citigroup, Inc. 6.500%	12,324,000

Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

35,000	Reinsurance Group of America, Inc.~ 5.750%	1,461,250
3,500	Wells Fargo & Company 7.500%	2,163,000
		32,530,000
	<b><i>Health Care (5.7%)</i></b>	
2,000	Mylan, Inc. <sup>1</sup> 6.500%	1,704,000
170,000	Schering-Plough Corp. <sup>1</sup> 6.000%	35,910,800
		37,614,800
	<b><i>Materials (5.0%)</i></b>	
222,500	Freeport-McMoRan Copper & Gold, Inc. <sup>1</sup> 6.750%	15,352,500
1,750 CHF	Givaudan, SA 5.375%	10,349,586
210,000	Vale Capital, Ltd. (Companhia Vale do Rio Doce) <sup>1</sup> Δ 5.500%	7,352,100
		33,054,186
	<b>TOTAL CONVERTIBLE PREFERRED STOCKS</b> (Cost \$205,690,618)	131,159,936
	<b>COMMON STOCKS (5.2%)</b>	
	<b><i>Consumer Discretionary (3.0%)</i></b>	
243,502	Amazon.com, Inc.# <sup>1</sup>	19,606,781
	<b><i>Financials (1.2%)</i></b>	
282,712	MetLife, Inc. <sup>1</sup>	8,410,682
	<b><i>Industrials (1.0%)</i></b>	
224,388	Avery Dennison Corp. <sup>1</sup>	6,448,911
	<b>TOTAL COMMON STOCKS</b> (Cost \$41,692,930)	34,466,374
	<b>NUMBER OF CONTRACTS</b>	<b>VALUE</b>
	<b>PUT OPTIONS (0.0%)#</b>	
1,000	<b><i>Financials (0.0%)</i></b> SVB Financial Group Put, 01/16/10, Strike \$10.00 (Cost \$172,004)	137,500

NUMBER OF SHARES		VALUE
<b>INVESTMENT IN AFFILIATED FUND (1.1%)</b>		
	<i>Consumer Discretionary (1.1%)</i>	
7,079,365	Calamos Government Money Market Fund - Class I Shares (Cost \$7,079,365)	7,079,365
<b>INVESTMENT OF CASH COLLATERAL FOR SECURITIES ON LOAN (2.4%)</b>		
215,438	Bank of New York Institutional Cash Reserve Series B	28,007
15,584,000	Goldman Sachs Financial Square Prime Obligations Fund	15,584,000
	<b>TOTAL INVESTMENT OF CASH COLLATERAL FOR SECURITIES ON LOAN</b> (Cost \$15,799,438)	15,612,007
	<b>TOTAL INVESTMENTS (141.5%)</b> (Cost \$1,177,904,967)	931,496,553
	PAYABLE UPON RETURN OF SECURITIES ON LOAN (-2.4%)	(15,799,438)
	LIABILITIES, LESS OTHER ASSETS (-26.9%)	(177,173,949)

Convertible and High Income Fund  
Schedule of Investments **SEMIANNUAL REPORT** 11

See accompanying Notes to Schedule of Investments

---

## Schedule of Investments

**APRIL 30, 2009 (UNAUDITED)**

	<b>VALUE</b>
PREFERRED SHARES AT REDEMPTION VALUE INCLUDING DIVIDENDS PAYABLE (-12.2%)	\$ (80,001,911)
<b>NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS (100.0%)</b>	<b>\$ 658,521,255</b>

<b>NUMBER OF CONTRACTS</b>		<b>VALUE</b>
<b>WRITTEN OPTIONS (-1.4%)#</b>		
	<i>Financials (-1.4%)</i>	
2,000	MetLife, Inc. Call, 09/19/09, Strike \$25.00	(1,660,000)
	SPDR Trust Series 1	
1,500	Call, 05/16/09, Strike \$72.00	(2,268,750)
1,250	Call, 05/16/09, Strike \$76.00	(1,403,125)
1,250	Call, 06/20/09, Strike \$81.00	(1,021,875)
1,200	Call, 06/20/09, Strike \$78.00	(1,263,000)
1,200	Call, 06/20/09, Strike \$77.00	(1,362,000)
	<b>TOTAL WRITTEN OPTIONS</b> (Premium \$2,662,429)	<b>(8,978,750)</b>

**NOTES TO SCHEDULE OF INVESTMENTS**

Ù Security, or portion of security, is on loan.

<sup>1</sup> Security, or portion of security, is held in a segregated account as collateral for loans aggregating a total value of \$460,761,774.

~ Security, or portion of security, is held in a segregated account as collateral for written options aggregating a total value of \$33,822,319.

Variable rate or step bond security. The rate shown is the rate in effect at April 30, 2009.

\*



Securities issued and sold pursuant to a Rule 144A transaction are excepted from the registration requirement of the Securities Act of 1933, as amended. These securities may only be sold to qualified institutional buyers ( QIBs ), such as the fund. Any resale of these securities must generally be effected through a sale that is registered under the Act or otherwise exempted from such registration requirements. At April 30, 2009, the value of 144A securities that could not be exchanged to the registered form is \$14,403,035 or 2.2% of net assets applicable to common shareholders.

\*\* Pilgrim s Pride Corp. and General Motors Corp. filed for bankruptcy protection on December 1, 2008 and June 1, 2009 respectively.

Δ Securities exchangeable or convertible into securities of one or more entities different than the issuer. Each entity is identified in the parenthetical.

# Non-income producing security.

Investment in affiliated fund. During the period from November 1, 2008 through April 30, 2009, the fund had net purchases of \$4,116,060 and earned \$63,364 in dividends from the affiliated fund. As of October 31, 2008, the fund had holdings of \$2,963,305 in the affiliated fund.

On September 15, 2008, Lehman Brothers Holdings, Inc., the sole holding of the Bank of New York Institutional Cash Reserve Fund Series B (a series of such fund created to isolate such Lehman exposure), filed for bankruptcy protection. Such securities are being valued in accordance with valuation procedures approved by the board of trustees.

#### FOREIGN CURRENCY ABBREVIATIONS

<b>CHF</b>	Swiss Franc
<b>EUR</b>	European Monetary Unit
<b>GBP</b>	British Pound Sterling

*Note: Value for securities denominated in foreign currencies is shown in U.S. dollars. The principal amount for such securities is shown in the respective foreign currency. The date shown on options represents the expiration date on the option contract. The option contract may be exercised at any date on or before the date shown.*

#### INTEREST RATE SWAPS

Counterparty	Fixed Rate (Fund Pays)	Floating Rate (Fund Receives)	Termination Date	Notional Amount	Unrealized Appreciation/ (Depreciation)
BNP Paribas	1.865% quarterly	3 month LIBOR	4/14/2012	\$75,000,000	\$ 28,314
BNP Paribas	2.430% quarterly	3 month LIBOR	4/14/2014	\$115,000,000	281,006
					\$ 309,320

Convertible and High Income Fund  
12 SEMIANNUAL REPORT Schedule of Investments

See accompanying Notes to Financial Statements

## Statement of Assets and Liabilities

April 30, 2009 (unaudited)

**ASSETS**

Investments in securities, at value* (cost \$1,170,825,602)	\$ 924,417,188
Investments in affiliated fund, (cost \$7,079,365)	7,079,365
Cash with custodian (interest bearing)	466
Unrealized appreciation on swaps	309,320
Receivables:	
Accrued interest and dividends	19,090,557
Investments sold	8,110,781
Prepaid expenses	82,878
Other assets	69,042
Total assets	959,159,597

**LIABILITIES**

Options written, at value (premium \$2,662,429)	8,978,750
Payables:	
Note payable	190,000,000
Cash collateral for securities on loan	15,799,438
Investments purchased	5,000,000
Affiliates:	
Investment advisory fees	534,609
Deferred compensation to trustees	69,042
Financial accounting fees	8,555
Trustees fees and officer compensation	6,348
Other accounts payable and accrued liabilities	239,689
Total liabilities	220,636,431

**PREFERRED SHARES**

\$25,000 liquidation value per share applicable to 3,200 shares, including dividends payable	80,001,911
--	------------

NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS	\$ 658,521,255
--	----------------

**COMPOSITION OF NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS**

Common stock, no par value, unlimited shares authorized 69,277,202 shares issued and outstanding	\$ 985,153,297
Undistributed net investment income (loss)	(15,805,065)
Accumulated net realized gain (loss) on investments, written options, foreign currency transactions, and swaps	(58,414,571)
Unrealized appreciation (depreciation) of investments, written options, foreign currency translations, and swaps	(252,412,406)
 NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS	 \$ 658,521,255
 Net asset value per common share based on 69,277,202 shares issued and outstanding	 \$ 9.51

\* Includes securities loaned with a value of \$15,067,836.

Convertible and High Income Fund  
Statement of Assets and Liabilities **SEMIANNUAL REPORT** 13

See accompanying Notes to Financial Statements

---

## Statement of Operations

**Six Months Ended April 30, 2009 (unaudited)****INVESTMENT INCOME**

Interest	\$ 30,767,576
Dividends	7,489,201
Dividends from affiliates	63,364
Securities lending income	48,007
Total investment income	38,368,148

**EXPENSES**

Investment advisory fees	3,364,668
Financial accounting fees	49,001
Transfer agent fees	14,755
Accounting fees	30,231
Auction agent and rating agency fees	127,578
Audit fees	40,713
Legal fees	42,701
Deferred debt structuring fee	3,560,148
Custodian fees	11,757
Printing and mailing fees	115,842
Registration fees	32,897
Trustees fees and officer compensation	32,956
Program fee	1,218,824
Liquidity fee	2,593,511
Interest expense and related fees	1,831,294
Arrangement fee	2,740
Other	25,894
Total expenses	13,095,510
Less expense reductions	(306,160)
Net expenses	12,789,350

<b>NET INVESTMENT INCOME (LOSS)</b>	<b>25,578,798</b>
-------------------------------------	-------------------

**REALIZED AND UNREALIZED GAIN (LOSS)**

**Net realized gain (loss) from:**

Investments, excluding purchased options	(38,799,965)
Purchased options	(15,778,453)
Foreign currency transactions	2,017
Written options	6,373,434

**Change in net unrealized appreciation/depreciation on:**

Investments, excluding purchased options	134,202,082
Purchased options	13,327,112
Foreign currency translations	122,353
Written options	(7,460,641)
Swaps	309,320

NET REALIZED AND UNREALIZED GAIN (LOSS) 92,297,259

NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS 117,876,057

**DISTRIBUTIONS TO PREFERRED SHAREHOLDERS FROM**

Net investment income (234,645)

NET INCREASE (DECREASE) IN NET ASSETS APPLICABLE TO COMMON  
SHAREHOLDERS RESULTING FROM OPERATIONS

\$ 117,641,412

Convertible and High Income Fund  
14 **SEMIANNUAL REPORT** Statement of Operations

See accompanying Notes to Financial Statements

---

## Statements of Changes in Net Assets

	Six Months Ended April 30, 2009 (Unaudited)	Year Ended October 31, 2008
<b>OPERATIONS</b>		
Net investment income (loss)	\$ 25,578,798	\$ 70,573,636
Net realized gain (loss) from investments in securities, written options, foreign currency transactions, and swaps	(48,202,967)	17,925,974
Change in net unrealized appreciation/depreciation on investment in securities, written options, foreign currency translations, and swaps	140,500,226	(466,594,881)
Distributions to preferred shareholders from:		
Net investment income	(234,645)	(7,932,453)
Capital gains		(4,400,322)
 Net increase (decrease) in net assets applicable to common shareholders resulting from operations	 117,641,412	 (390,428,046)
<b>DISTRIBUTIONS TO COMMON SHAREHOLDERS FROM</b>		
Net investment income	(33,807,509)	(90,494,947)
Capital gains	(1,161,734)	(15,309,718)
 Net decrease in net assets from distributions to common shareholders	 (34,969,243)	 (105,804,665)
<b>CAPITAL STOCK TRANSACTIONS</b>		
Proceeds from common shares sold	11,272,881	1,576,989
Offering costs related to common shares sold	(50,000)	(192,745)
Reinvestment of distributions resulting in the issuance of common stock	1,439,595	3,420,910
 Net increase (decrease) in net assets from capital stock transactions	 12,662,476	 4,805,154
 <b>TOTAL INCREASE (DECREASE) IN NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS</b>	 <b>95,334,645</b>	 <b>(491,427,557)</b>

**NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS**

Beginning of period	\$ 563,186,610	\$ 1,054,614,167
End of period	658,521,255	563,186,610
Undistributed net investment income (loss)	\$ (15,805,065)	\$ (7,341,709)

Convertible and High Income Fund  
Statements of Changes in Net Assets **SEMIANNUAL REPORT** 15

See accompanying Notes to Financial Statements

---

## Statement of Cash Flows

**Six Months Ended April 30, 2009 (unaudited)****CASH FLOWS FROM OPERATING ACTIVITIES:**

Net increase/(decrease) in net assets from operations	\$ 117,876,057
Adjustments to reconcile net increase/(decrease) in net assets from operations to net cash used in operating activities:	
Change in unrealized appreciation or depreciation on swaps	(309,320)
Change in written options	5,448,980
Purchase of investment securities	(80,035,453)
Proceeds from disposition of investment securities	115,287,886
Amortization and accretion of fixed-income securities	(1,518,903)
Purchase of short term investments, net	(4,116,060)
Net realized gains/losses from investments, excluding purchased options	38,799,965
Net realized gains/losses from purchased options	15,778,453
Change in unrealized appreciation or depreciation on investments, excluding purchased options	(134,202,082)
Change in unrealized appreciation or depreciation on purchased options	(13,327,112)
Net change in assets and liabilities:	
(Increase)/decrease in assets:	
Accrued interest and dividends receivable	1,530,151
Cash collateral for securities on loan	19,633,000
Prepaid expenses	3,543,147
Other assets	(19,273)
Increase/(decrease) in liabilities:	
Payables to affiliates	(68,661)
Payable upon return of securities loaned	(19,633,000)
Other accounts payable and accrued liabilities	(1,096,116)
 Net cash provided by/(used in) operating activities	 \$ 63,571,659

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Proceeds from common shares sold	11,272,881
Offering costs related to common shares sold	(50,000)
Distributions to common shareholders	(33,529,648)
Distributions to preferred shareholders	(266,042)
Repayments of Note payable	(41,000,000)
 Net cash provided by/(used in) financing activities	 \$ (63,572,809)



Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

Net increase/(decrease) in cash and cash equivalents	\$	(1,150)
Cash at beginning of the year	\$	1,616
Cash at end of the year	\$	466
Supplemental disclosure		
Cash paid for interest	\$	2,623,677

Non-cash financing activities not included herein consist of reinvestment of dividends and distributions of \$1,439,595.

Convertible and High Income Fund

16 **SEMIANNUAL REPORT** Statement of Cash Flows

See accompanying Notes to Financial Statements

---

Notes to Financial Statements

NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

**Organization.** Calamos Convertible and High Income Fund (the Fund) was organized as a Delaware statutory trust on March 12, 2003 and is registered under the Investment Company Act of 1940 (the 1940 Act) as a diversified, closed-end management investment company. The Fund commenced operations on May 28, 2003.

The Fund's investment objective is to provide total return through a combination of capital appreciation and current income. Under normal circumstances, the Fund will invest at least 80% of its managed assets in a diversified portfolio of convertibles and non-convertible income securities. Managed assets means the Fund's total assets (including any assets attributable to any leverage that may be outstanding) minus total liabilities (other than debt representing financial leverage).

**Portfolio Valuation.** The valuation of the Fund's portfolio securities is in accordance with policies and procedures adopted by and under the ultimate supervision of the board of trustees.

Portfolio securities that are traded on U.S. securities exchanges, except option securities, are valued at the last current reported sales price at the time the Fund determines its net asset value (NAV). Securities traded in the over-the-counter market and quoted on The NASDAQ Stock Market are valued at the NASDAQ Official Closing Price, as determined by NASDAQ, or lacking a NASDAQ Official Closing Price, the last current reported sale price on NASDAQ at the time a Fund determines its NAV.

When a most recent last sale or closing price is not available, equity securities, other than option securities, that are traded on a U.S. securities exchange and other securities traded in the over-the-counter market are valued at the mean between the most recent bid and asked quotations in accordance with guidelines adopted by the board of trustees. Each option security traded on a U.S. securities exchange is valued at the mid-point of the consolidated bid/ask quote for the option security, also in accordance with guidelines adopted by the board of trustees. Each over-the-counter option that is not traded through the Options Clearing Corporation is valued based on a quotation provided by the counterparty to such option under the ultimate supervision of the board of trustees.

Fixed income securities are generally traded in the over-the-counter market and are valued by independent pricing services or by dealers who make markets in such securities. Valuations of fixed income securities consider yield or price of bonds of comparable quality, coupon rate, maturity, type of issue, trading characteristics and other market data and do not rely exclusively upon exchange or over-the-counter prices.

Trading on European and Far Eastern exchanges and over-the-counter markets is typically completed at various times before the close of business on each day on which the New York Stock Exchange (NYSE) is open. Each security trading on these exchanges or over-the-counter markets may be valued utilizing a systematic fair valuation model provided by an independent pricing service approved by the board of trustees. The valuation of each security that meets certain criteria in relation to the valuation model is systematically adjusted to reflect the impact of movement in the U.S. market after the foreign markets close. Securities that do not meet the criteria, or that are principally traded in other foreign markets, are valued as of the last reported sale price at the time the Fund determines its NAV, or when reliable market prices or quotations are not readily available, at the mean between the most recent bid and asked quotations as of the close of the appropriate exchange or other designated time. Trading of foreign securities may not take place on every NYSE business day. In addition, trading may take place in various foreign markets on Saturdays

or on other days when the NYSE is not open and on which the Fund's NAV is not calculated.

If the pricing committee determines that the valuation of a security in accordance with the methods described above is not reflective of a fair value for such security, the security is valued at a fair value by the pricing committee, under the ultimate supervision of the board of trustees, following the guidelines and/or procedures adopted by the board of trustees.

The Fund also may use fair value pricing, pursuant to guidelines adopted by the board of trustees and under the ultimate supervision of the board of trustees, if trading in the security is halted or if the value of a security it holds is materially affected by events occurring before the Fund's pricing time but after the close of the primary market or exchange on which the security is listed. Those procedures may utilize valuations furnished by pricing services approved by the board of trustees, which may be based on market transactions for comparable securities and various relationships between securities that are generally recognized by

## Notes to Financial Statements

institutional traders, a computerized matrix system, or appraisals derived from information concerning the securities or similar securities received from recognized dealers in those securities.

When fair value pricing of securities is employed, the prices of securities used by the Fund to calculate its NAV may differ from market quotations or official closing prices. In light of the judgment involved in fair valuations, there can be no assurance that a fair value assigned to a particular security is accurate.

**Investment Transactions.** Investment transactions are recorded on a trade date basis as of April 30, 2009. Net realized gains and losses from investment transactions are reported on an identified cost basis. Interest income is recognized using the accrual method and includes accretion of original issue and market discount and amortization of premium. Dividend income is recognized on the ex-dividend date, except that certain dividends from foreign securities are recorded as soon as the information becomes available after the ex-dividend date.

**Foreign Currency Translation.** Values of investments and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using a rate quoted by a major bank or dealer in the particular currency market, as reported by a recognized quotation dissemination service.

The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

Reported net realized foreign currency gains or losses arise from disposition of foreign currency, the difference in the foreign exchange rates between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the ex-date or accrual date and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes (due to the changes in the exchange rate) in the value of foreign currency and other assets and liabilities denominated in foreign currencies held at prior end.

**Allocation of Expenses Among Funds.** Expenses directly attributable to the Fund are charged to the Fund; certain other common expenses of Calamos Advisors Trust, Calamos Investment Trust, Calamos Convertible Opportunities and Income Fund, Calamos Convertible and High Income Fund, Calamos Strategic Total Return Fund, Calamos Global Total Return Fund and Calamos Global Dynamic Income Fund are allocated proportionately among each fund to which the expenses relate in relation to the net assets of each fund or on another reasonable basis.

**Use of Estimates.** The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**Income Taxes.** No provision has been made for U.S. income taxes because the Fund's policy is to continue to qualify as a regulated investment company under the Internal Revenue Code of 1986, as amended, and distribute to shareholders substantially all of its taxable income and net realized gains.

Dividends and distributions paid to shareholders are recorded on the ex-dividend date. The amount of dividends and distributions from net investment income and net realized capital gains is determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles. To the extent these book/tax differences are permanent in nature, such amounts are reclassified within the capital accounts based on their

federal tax-basis treatment. These differences are primarily due to differing treatments for foreign currency transactions, contingent payment debt instruments and methods of amortizing and accreting on fixed income securities. The financial statements are not adjusted for temporary differences.

The Fund recognized no liability for unrecognized tax benefits in connection with Financial Accounting Standards Board (FASB) Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* an interpretation of FASB *Statement No. 109*. A reconciliation is not provided as the beginning and ending amounts of unrecognized benefits are zero, with no interim additions, reductions or settlements. Tax years 2004 - 2007 remain subject to examination by the U.S. and the State of Illinois tax jurisdictions.

Convertible and High Income Fund

18 **SEMIANNUAL REPORT** Notes to Financial Statements

---

**Indemnifications.** Under the Fund's organizational documents, the Fund is obligated to indemnify its officers and trustees against certain liabilities incurred by them by reason of having been an officer or trustee of the Fund. In addition, in the normal course of business, the Fund may enter into contracts that provide general indemnifications to other parties. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. Currently, the Fund's management expects the risk of material loss in connection to a potential claim to be remote.

**New Accounting Pronouncements.** Effective November 1, 2008, the Fund adopted the provisions of the *Statement of Financial Accounting Standard No. 157, Fair Value Measurements* (SFAS 157). SFAS 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. SFAS 157 requires disclosure surrounding the various inputs used to determine a valuation, and these inputs are segregated into three levels. Tables summarizing the Fund's investments under these levels are shown in the Notes to Financial Statements, Note 11 Valuations.

Effective November 1, 2008, the Fund adopted the Statement of Financial Accounting Standards No. 161, *Disclosures about Derivative Instruments and Hedging Activities* (SFAS 161). SFAS 161 requires that objectives for using derivative instruments be disclosed in terms of underlying risk and accounting designation. The required disclosures are reflected in the Schedule of Investments, Statement of Operations, and in the Notes to Financial Statements, Note 6 Derivative Instruments.

## NOTE 2 INVESTMENT ADVISOR AND TRANSACTIONS WITH AFFILIATES OR CERTAIN OTHER PARTIES

Pursuant to an investment advisory agreement with Calamos Advisors LLC (Calamos Advisors), the Fund pays an annual fee payable monthly, equal to 0.80% based on the average weekly managed assets. Calamos Advisors has contractually agreed to waive a portion of its management fee at the annual rate of 0.07% of the average weekly managed assets of the Fund (through May 31, 2009 and to waive a declining amount for two additional years (0.05% of the average weekly managed assets in 2010, and 0.03% in 2011). For the period ended April 30, 2009, the total advisory fee waived pursuant to such agreement was \$294,408 and is included in the Statement of Operations under the caption Less expense reductions.

Calamos Advisors has agreed to waive a portion of its advisory fee charged to the Fund equal to the advisory fee paid by Calamos Government Money Market Fund (GMMF, an affiliated fund and a series of Calamos Investments Trust) attributable to the Fund's investment in GMMF, based on daily net assets. For the period ended April 30, 2009, the total advisory fee waived pursuant to such agreement was \$11,752 included in the Statement of Operations under the caption Less expense reductions.

Pursuant to a financial accounting services agreement, the Fund also pays Calamos Advisors a fee for financial accounting services payable monthly at the annual rate of 0.0175% on the first \$1 billion of combined assets; 0.0150% on the next \$1 billion of combined assets and 0.0110% on combined assets above \$2 billion (for purposes of this calculation combined assets means the sum of the total average daily net assets of Calamos Investment Trust, Calamos Advisors Trust, and the total average weekly managed assets of Calamos Convertible and High Income Fund, Calamos Convertible Opportunities and Income Fund, Calamos Strategic Total Return Fund, Calamos Global Total Return Fund, and Calamos Global Dynamic Income Fund). Managed assets means the Fund's total assets (including any assets attributable to any leverage that may be outstanding) minus total liabilities (other than debt representing

financial leverage). Financial accounting services include, but are not limited to, the following: managing expenses and expenses payment processing; monitoring the calculation of expense accrual amounts; calculating, tracking and reporting tax adjustments on all assets and monitoring trustee deferred compensation plan accruals and valuations. The Fund pays its pro rata share of the financial accounting services fee to Calamos Advisors based on its respective assets used in calculating the fee.

The Fund reimburses Calamos Advisors for a portion of compensation paid to the Fund's Chief Compliance Officer. This compensation is reported as part of Trustees' fee and officer compensation expenses on the Statement of Operations.

A trustee and certain officers of the Fund are also officers and directors of Calamos Financial Services LLC (CFS) and Calamos Advisors. Such trustee and officers serve without direct compensation from the Fund.

The Fund has adopted a deferred compensation plan (the Plan). Under the Plan, a trustee who is not an interested person (as defined in the 1940 Act) and has elected to participate in the Plan (a participating trustee) may defer receipt of all or a portion

## Notes to Financial Statements

of his compensation from the Fund. The deferred compensation payable to the participating trustee is credited to the trustee's deferral account as of the business day such compensation would have been paid to the participating trustee. The value of amount deferred for a participating trustee is determined by reference to the change in value of Class I shares of one or more funds of Calamos Investment Trust designated by the participant. The value of the account increases with contributions to the account or with increases in the value of the measuring shares, and the value of the account decreases with withdrawals from the account or with declines in the value of the measuring shares. Deferred compensation investments of \$69,042 are included in "Other assets" on the Statement of Assets and Liabilities at April 30, 2009. The Fund's obligation to make payments under the Plan is a general obligation of the Fund and is included in "Payable for deferred compensation to Trustees" on the Statement of Assets and Liabilities at April 30, 2009.

## NOTE 3 INVESTMENTS

Purchases and sales of investments, excluding short-term investments, for the period ended April 30, 2009 were as follows:

Purchases	\$ 85,078,887
Proceeds from sales	115,933,163

The following information is presented on a federal income tax basis as of April 30, 2009. Differences between the cost basis under U.S. generally accepted accounting principles and federal income tax purposes are primarily due to temporary differences.

The cost basis of investments for federal income tax purposes at April 30, 2009 was as follows:

Cost basis of investments	\$ 1,192,513,697
Gross unrealized appreciation	11,340,171
Gross unrealized depreciation	(272,357,315)
Net unrealized appreciation (depreciation)	\$ (261,017,144)

## NOTE 4 INCOME TAXES

The Fund intends to make monthly distributions from its income available for distribution, which consists of the Fund's dividends and interest income after payment of Fund expenses, and net realized gains on stock investments. At least annually, the Fund intends to distribute all or substantially all of its net realized capital gains, if any. Distributions are recorded on the ex-dividend date. The Fund distinguishes between distributions on a tax basis and a financial reporting basis. Accounting principles generally accepted in the United States of America require that only distributions in excess of tax basis earnings and profits be reported in the financial statements as a return of capital.



Permanent differences between book and tax accounting relating to distributions are reclassified to paid-in-capital. For tax purposes, distributions from short-term capital gains are considered to be from ordinary income. Distributions in any year may include a return of capital component. The tax character of distributions for the period ended April 30, 2009 will be determined at the end of the Fund's current fiscal year.

Distributions during the fiscal year ended October 31, 2008 were characterized for federal income tax purposes as follows:

**Distributions paid from:**

Ordinary income	\$ 98,187,009
Long-term capital gains	20,227,620

Convertible and High Income Fund

20 **SEMIANNUAL REPORT** Notes to Financial Statements

---

## Notes to Financial Statements

As of October 31, 2008, the components of accumulated earnings/(loss) on a tax basis were as follows:

Undistributed ordinary income	\$ 6,449,764
Undistributed capital gains	1,160,756
Total undistributed earnings	7,610,520
Accumulated capital and other losses	
Net unrealized gains/(losses)	(416,800,607)
Total accumulated earnings/(losses)	(409,190,087)
Other	(114,124)
Paid-in capital	972,490,821
Net assets applicable to common shareholders	\$ 563,186,610

## NOTE 5 COMMON SHARES

There are unlimited common shares of beneficial interest authorized and 69,277,202 shares outstanding at April 30, 2009. Calamos Advisors owned 24,412 of the outstanding shares at April 30, 2009. Transactions in common shares were as follows:

	<b>Period Ended April 30, 2009</b>	<b>Year Ended October 31, 2008</b>
Beginning shares	67,837,867	67,413,993
Shares sold	1,274,133	125,893
Shares issued through reinvestment of distribution	165,202	297,981
Ending shares	69,277,202	67,837,867

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940 that the Fund may from time to time purchase its shares of common stock in the open market.

## NOTE 6 DERIVATIVE INSTRUMENTS

**Foreign Currency Risk.** The Fund may engage in portfolio hedging with respect to changes in currency exchange rates by entering into foreign currency contracts to purchase or sell currencies. A forward foreign currency contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. Risks associated with such contracts include, among other things, movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. The net unrealized gain, if any, represents the credit risk to the Fund on a forward foreign currency contract. The contracts are valued daily at forward foreign exchange rates and an unrealized gain or loss is recorded. The Fund realizes a gain or loss when a position is closed or upon settlement of the contracts. There were no open forward currency contracts at April 30, 2009.

**Equity Risk.** The Fund may engage in option transactions and in doing so achieve the similar objectives to what it would achieve through the sale or purchase of individual securities. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller of the option the obligation to sell, the underlying security, index or other instrument at the exercise price. A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the seller the obligation to buy, the underlying security, index, or other instrument at the exercise price.

To seek to offset some of the risk of a potential decline in value of certain long positions, the Fund may also purchase put options on individual securities, broad-based securities indexes or certain exchange traded funds ( ETFs ). The Fund may also seek to generate income from option premiums by writing (selling) options on a portion of the equity securities (including securities that are convertible into equity securities) in the Fund s portfolio, on broad-based securities indexes, or certain ETFs.

When the Fund purchases an option, it pays a premium and an amount equal to that premium is recorded as an asset. When the Fund writes an option, it receives a premium and an amount equal to that premium is recorded as a liability. The asset or liability is adjusted daily to reflect the current market value of the option. If an option expires unexercised, the Fund realizes a gain or loss to

## Notes to Financial Statements

the extent of the premium received or paid. If an option is exercised, the premium received or paid is recorded as an adjustment to the proceeds from the sale or the cost basis of the purchase in determining whether the Fund has realized a gain or loss. The difference between the premium and the amount received or paid on a closing purchase or sale transaction is also treated as a realized gain or loss. Gain or loss on purchased options is included in net realized gain or loss on investment transactions. Gain or loss on written options is presented separately as net realized gain or loss on written options.

As of April 30, 2009, the Fund had outstanding purchased options and written options as listed on the Schedule of Investments. For the period ended April 30, 2009, the Fund had the following transactions in options written:

	<b>Number of Contracts</b>	<b>Premiums Received</b>
Options outstanding at October 31, 2008	17,829	\$ 4,674,090
Options written	27,486	9,415,353
Options closed	(35,255)	(10,720,998)
Options expired	(1,660)	(706,016)
Options exercised		
Options outstanding at April 30, 2009	8,400	\$ 2,662,429

**Interest Rate Risk.** The Fund may engage in interest rate swaps primarily to manage duration and yield curve risk, or as alternatives to direct investments. An interest rate swap is a contract that involves the exchange of one type of interest rate for another type of interest rate. Three main types of interest rate swaps are coupon swaps (fixed rate to floating rate in the same currency); basis swaps (one floating rate index to another floating rate index in the same currency); and cross-currency interest rate swaps (fixed rate in one currency to floating rate in another). In the case of a coupon swap, the Fund may agree with a counterparty that the Fund will pay a fixed rate (multiplied by a notional amount) while the counterparty will pay a floating rate multiplied by the same notional amount. If interest rates rise, resulting in a diminution in the value of the Fund's portfolio, the Fund would receive payments under the swap that would offset, in whole or in part, such diminution in value; if interest rates fall, the Fund would likely lose money on the swap transaction. Unrealized gains are reported as an asset and unrealized losses are reported as a liability on the Statement of Assets and Liabilities. The change in value of swaps, including accruals of periodic amounts of interest to be paid or received on swaps, is reported as change in unrealized appreciation/depreciation in the Statement of Operations. A realized gain or loss is recorded upon payment or receipt of a periodic payment or termination of the swap agreements. Swap agreements are stated at fair value. Notional principal amounts are used to express the extent of involvement in these transactions, but the amounts potentially subject to credit risk are much smaller. In connection with these contracts, securities may be identified as collateral in accordance with the terms of the respective swap contracts in the event of default or bankruptcy.

Premiums paid to or by the Fund are accrued daily and included in realized gain (loss) when paid on swaps in the accompanying Statement of Operations. The contracts are marked-to-market daily based upon third party vendor valuations and changes in value are recorded as unrealized appreciation (depreciation). Gains or losses are realized upon early termination of the contract. Risks may exceed amounts recognized in the Statement of Assets and

Liabilities. These risks include changes in the returns of the underlying instruments, failure of the counterparties to perform under the contracts terms, counterparty s creditworthiness, and the possible lack of liquidity with respect to the contracts.

As of April 30, 2009, the Fund had outstanding interest rate swap agreements as listed on the Schedule of Investments.

Below are the types of derivatives in the Fund by location as presented in the Statement of Assets and Liabilities:

	<b>Assets</b>	<b>Liabilities</b>
	<b>Statement of Assets and Liabilities Location</b>	<b>Statement of Assets and Liabilities Location</b>
Derivative Type		
Option contracts	Investments in securities	Options written
Foreign exchange contracts	Unrealized appreciation on forward foreign currency contracts	Unrealized depreciation on forward foreign currency contracts

Below are the types of derivatives in the Fund by gross value as of April 30, 2009:

	Assets		Liabilities	
	Statement of Assets & Liabilities Location	Value	Statement of Assets & Liabilities Location	Value
Derivative Type:				
Options purchased	Investments in securities	\$ 1,494,775	Options written	\$ 8,978,000
Foreign Exchange contracts	Unrealized appreciation on forward foreign currency contracts		Unrealized depreciation on forward foreign currency contracts	
	Unrealized depreciation on forward foreign currency contracts		Unrealized appreciation on forward foreign currency contracts	
Interest Rate contracts	Unrealized appreciation on swaps	309,320	Unrealized depreciation on swaps	
Default contracts	Unrealized appreciation on swaps		Unrealized depreciation on swaps	

#### VOLUME OF DERIVATIVE ACTIVITY FOR THE SIX MONTHS ENDED APRIL 30, 2009\*

Equity:	
Purchased options	1,000
Written options	27,486
Foreign currency contracts	
Interest rate swaps	190,000,000
Credit swaps	

\* Activity during the period is measured by opened number of contracts for options and opened notional amount for swap contracts.

#### NOTE 7 PREFERRED SHARES

There are unlimited shares of Auction Rate Cumulative Preferred Shares ( Preferred Shares ) authorized. The Preferred Shares have rights as determined by the board of trustees. The 3,200 shares of Preferred Shares outstanding consist of six series, 558 shares of M, 558 shares of shares of TU, 558 shares of W, 558 shares of TH, 558 shares of F, and 410 shares of A. The Preferred Shares have a liquidation value of \$25,000 per share plus any accumulated but unpaid dividends, whether or not declared.

Dividends on the Preferred Shares are cumulative at a rate typically reset every seven days based on the results of an auction. Dividend rates ranged from 0.08% to 4.63% for the period ended April 30, 2009. Under the 1940 Act, the Fund may not declare dividends or make other distributions on its common shares or purchase any such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding Preferred Shares would be less than 200%.

If all holders of Preferred Shares who want to sell their shares are unable to do so because there are insufficient bidders in the auction at rates below the maximum rate as prescribed by the terms of the security, a failed auction results. When an auction fails, all holders receive the maximum rate and may be unable to sell their shares at the next auction. The maximum applicable rate on preferred shares is 150% of the AA Financial Commercial Paper Rate.

During the period November 1, 2008 to April 30, 2009, the auctions for the Preferred Shares of the Fund were not successful. As a result, the Preferred Share dividend rates were reset to the maximum applicable rate which is 150% of the AA Financial Commercial Paper Rate. Failed auctions result not from an event of default or a credit issue but a liquidity event.

The Fund may, from time to time, in whole or in part, repurchase shares of its Preferred Shares for cash at a price not above the market value of such shares at the time of such purchase plus any accumulated but unpaid dividends subject to the requirement of applicable law. The Preferred Shares are also subject to mandatory redemption at \$25,000 per share plus any accumulated but unpaid dividends, whether or not declared, if certain requirements relating to the composition of the assets and liabilities of the Fund as set forth in the Statement of Preferences are not satisfied.

The holders of Preferred Shares have voting rights equal to the holders of common shares (one vote per share) and will vote together with holders of common shares as a single class except on matters affecting only the holders of Preferred Shares or only the holders of common shares, when the respective classes vote alone.

Notes to Financial Statements

NOTE 8 BORROWINGS

On May 13, 2008, the Fund entered into a Revolving Credit and Security Agreement with conduit lenders and a bank that allowed it to borrow up to an initial limit of \$413.4 million. Borrowings under the Revolving Credit and Security Agreement were secured by assets of the Fund. Interest was charged at a rate above the conduits' commercial paper issuance rate and was payable monthly. Under the Revolving Credit and Security Agreement, the Fund also paid a program fee on its outstanding borrowings to administer the facility and a liquidity fee on the total borrowing limit. Program and liquidity fees for the period ended April 30, 2009 were \$1,218,824 and \$2,593,511 respectively and are included in the Statement of Operations.

On April 30, 2009, the Fund entered into a Committed Facility Agreement (the Agreement) with BNP Paribas Prime Brokerage, Inc. that allows the Fund to borrow up to an initial limit of \$400,000,000. The Agreement with BNP Paribas Prime Brokerage replaced the existing Revolving Credit and Security Agreement and an initial draw-down of \$190,000,000 under the Agreement was utilized to pay off outstanding indebtedness under the Revolving Credit and Security Agreement in their entirety.

Borrowings under the Agreement are secured by assets of the Fund. Interest is charged at quarterly LIBOR (London Inter-bank Offered Rate) plus .95% on the amount borrowed and .85% on the undrawn balance. The Fund will pay a one-time Arrangement fee of .25% of the total borrowing limit. The Arrangement fee for the period ended April 30, 2009 totaled \$2,740 and is included in the Statement of Operations.

For the period ended April 30, 2009, the average borrowings and the average interest rate were \$194,320,442 and 1.82%, respectively. As of April 30, 2009, the amount of such outstanding borrowings is \$190,000,000. The interest rate applicable to the borrowings on April 30, 2009 was 1.97%.

BNP Paribas Prime Brokerage, Inc ( BNP ) has the ability to reregister the collateral in its own name or in another name other than the Fund to pledge, re-pledge, sell, lend or otherwise transfer or use the collateral ( Hypothecated Securities ) with all attendant rights of ownership. The Fund can recall any Hypothecated Securities and BNP shall, to the extent commercially possible, return such security or equivalent security to the fund no later than three business days after such request. If the Fund recalls a Hypothecated Security in connection with a sales transaction and BNP fails to return the Hypothecated Securities or equivalent securities in a timely fashion, BNP shall remain liable to the Fund's custodian for the ultimate delivery of such Hypothecated Securities or equivalent securities to the executing broker for the sales transaction and for any buy-in costs that the executing broker may impose with respect to the failure to deliver. The Fund shall also have the right to apply and set off an amount equal to one hundred percent (100%) of the then-current fair market value of such hypothecated securities against any amounts owed to BNP under the Committed Facility Agreement.

NOTE 9 SECURITIES LENDING

The Fund may loan one or more of its securities to broker-dealers and banks. Any such loan must be secured by collateral in cash or cash equivalents maintained on a current basis in an amount at least equal to the value of the securities loaned by the Fund. The Fund continues to receive the equivalent of the interest or dividends paid by the issuer on the securities loaned and also receive an additional return that may be in the form of a fixed fee or a percentage of the collateral. Upon receipt of cash or cash equivalent collateral, the Fund's securities lending agent invests the collateral into short term investments following investment guidelines approved by Calamos Advisors. The



Fund records the investment of collateral as an asset and the value of the collateral as a liability on the Statement of Assets and Liabilities. If the value of the invested collateral declines below the value of the collateral deposited by the borrower, the Fund will record unrealized depreciation equal to the decline in value of the invested collateral. The Fund may pay reasonable fees to persons unaffiliated with the Fund for services in arranging these loans. The Fund has the right to call a loan and obtain the securities loaned at any time. The Fund does not have the right to vote the securities during the existence of the loan but could call the loan in an attempt to permit voting of the securities in certain circumstances. Upon return of the securities loaned, the cash or cash equivalent collateral will be returned to the borrower. In the event of bankruptcy or other default of the borrower, the Fund could experience both delays in liquidating the loan collateral or recovering the loaned securities and losses, including (a) possible decline in the value of the collateral or in the value of the securities loaned during the period while the Fund seeks to enforce its right thereto, (b) possible subnormal levels of income and lack of access to income during this period, and (c) the expenses of enforcing their rights. In an effort to reduce these risks, the Fund's security lending agent monitors and

Convertible and High Income Fund

24 **SEMIANNUAL REPORT** Notes to Financial Statements

---

## Notes to Financial Statements

reports to Calamos Advisors on the creditworthiness of the firms to which the Fund lends securities. At April 30, 2009, the Fund held securities valued at \$15,067,836 on loan to broker-dealers and banks and held \$15,799,438 in cash or cash equivalent collateral.

On September 15, 2008, Lehman Brothers Holdings, Inc. (LBHI) and certain of its affiliates sought protection under the insolvency laws of their jurisdictions of organization, including the United States, the United Kingdom, and Japan. The Bank of New York Institutional Cash Reserve Fund ( BNY Institutional Cash Reserve Fund ), an investment vehicle utilized by the Fund for securities lending collateral investment, had exposure to LBHI debt. The BNY Institutional Cash Reserve Fund subsequently distributed Series B shares of the BNY Institutional Cash Reserve Fund to investors with positions as of September 15, 2008. The Series B shares were allocated based upon the LBHI exposure and the respective investment in the BNY Institutional Cash Reserve Fund. Series B holdings consist entirely of BNY Institutional Cash Reserve Fund LBHI debt. The Fund's holdings of the Series B shares are disclosed on the Schedule of Investments.

#### NOTE 10 SYNTHETIC CONVERTIBLE INSTRUMENTS

The Fund may establish a synthetic convertible instrument by combining separate securities that possess the economic characteristics similar to a convertible security, i.e., fixed-income securities ( fixed-income component ), which may be a convertible or non-convertible security and the right to acquire equity securities ( convertible component ). The fixed-income component is achieved by investing in fixed income securities such as bonds, preferred stocks and money market instruments. The convertible component is achieved by investing in warrants or options to buy common stock at a certain exercise price, or options on a stock index. In establishing a synthetic instrument, the Fund may pool a basket of fixed-income securities and a basket of warrants or purchased options that produce the economic characteristics similar to a convertible security. Within each basket of fixed-income securities and warrants or options, different companies may issue the fixed-income and convertible components, which may be purchased separately and at different times.

The Fund may also purchase synthetic securities created by other parties, typically investment banks, including convertible structured notes. Convertible structured notes are fixed-income debentures linked to equity. Convertible structured notes have the attributes of a convertible security; however, the investment bank that issued the convertible note assumes the credit risk associated with the investment, rather than the issuer of the underlying common stock into which the note is convertible. Purchasing synthetic convertible securities may offer more flexibility than purchasing a convertible security.

#### NOTE 11 VALUATIONS

Various inputs are used to determine the value of the Fund's investments. These inputs are categorized into three broad levels as follows:

Level 1 holdings use inputs from unadjusted quoted prices from active markets (including securities actively traded on a securities exchange).

Level 2 holdings reflect inputs other than quoted prices, but use observable market data (including quoted prices of similar securities, interest rates, credit risk, etc.).

Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

Level 3 holdings are valued using unobservable inputs (including the Fund's own judgments about assumptions market participants would use in determining fair value).

The following is a summary of the inputs used in valuing the Fund's holdings at fair value:

<b>Valuation Inputs</b>	<b>Value of Investment Securities</b>	<b>Value of Investment Securities Sold Short</b>	<b>Other Financial Instruments*</b>
Level 1 Quoted Prices	\$ 134,177,114	\$	\$ (8,978,750)
Level 2 Other significant observable inputs	797,319,439		309,320
Level 3 Significant unobservable inputs			
<b>Total</b>	<b>\$ 931,496,553</b>	<b>\$</b>	<b>\$ (8,669,430)</b>

\* Other Financial Instruments may include written options, forwards contracts, and swaps contracts.

## Financial Highlights

Selected data for a share outstanding throughout each period were as follows:

	Six Months Ended April 30, (unaudited)	Year Ended October 31,				
	2009	2008	2007	2006	2005	2004
Net asset value, beginning of period	\$8.30	\$15.64	\$15.44	\$15.21	\$15.47	\$14.80
Income from investment operations: Net investment income (loss)	0.37*	1.05*	1.27*	1.34	1.49	1.60
Net realized and unrealized gain (loss) on investments, written options, foreign currency and swaps	1.34	(6.63)	0.75	0.75	(0.09)	0.63
Distributions to preferred shareholders from: Net investment income (common share equivalent basis)	( )**	(0.12)	(0.30)	(0.29)	(0.20)	(0.10)
Capital gains (common share equivalent basis)		(0.07)	(0.03)	(0.02)		

Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

Total from investment operations	1.71	(5.77)	1.69	1.78	1.20	2.13
Less distributions to common shareholders from:						
Net investment income	(0.49)	(1.34)	(1.22)	(1.29)	(1.34)	(1.46)
Capital gains	(0.01)	(0.23)	(0.27)	(0.26)	(0.12)	
Capital charge resulting from issuance of common and preferred shares	**	**		**		
Net asset value, end of period	\$9.51	\$8.30	\$15.64	\$15.44	\$15.21	\$15.47
Market value, end of period	\$8.90	\$8.74	\$14.67	\$16.98	\$15.52	\$16.47
Total investment return based on <sup>(a)</sup> :						
Net asset value	22.33%	(39.96)%	11.31%	12.16%	7.99%	14.91%
Market value	8.72%	(32.59)%	(5.06)%	20.88%	1.83%	15.02%
Ratios and supplemental data:						
Net assets applicable to common shareholders, end of period (000 s omitted)	\$658,521	\$563,187	\$1,054,614	\$1,030,741	\$940,736	\$945,037

Edgar Filing: CALAMOS CONVERTIBLE & HIGH INCOME FUND - Form N-CSRS

Preferred shares, at redemptions value (\$25,000 per share liquidation preference) (000 s omitted)	\$80,000	\$80,000	\$430,000	\$430,000	\$430,000	\$430,000
Ratios to average net assets applicable to common shareholders:						
Net expenses <sup>(b)(c)</sup>	4.02%	1.91%	1.18%	1.20%	1.23%	1.25%
Gross expenses prior to expense reductions and earnings credits <sup>(b)(c)</sup>	4.13%	2.04%	1.33%	1.34%	1.38%	1.40%
Net investment income (loss) <sup>(b)(c)</sup>	8.51%	7.77%	8.20%	8.76%	9.55%	10.56%
Preferred share distributions <sup>(b)</sup>	0.08%	0.87%	1.95%	1.88%	1.30%	0.65%
Net investment income (loss), net of preferred share distributions from net investment income <sup>(b)</sup>	8.59%	6.90%	6.25%	6.88%	8.25%	9.91%
Portfolio turnover rate	9%	55%	57%	38%	55%	27%
Asset coverage per preferred share, at end of period <sup>(d)</sup>	\$230,788	\$201,006	\$86,333	\$84,945	\$79,708	\$79,952

Asset coverage per \$1,000 of loan outstanding <sup>(e)</sup>	\$4,466	\$3,438	\$	\$	\$	\$
---	---------	---------	----	----	----	----

\* Net investment income allocated based on average shares method.

\*\* Amount equated to less than \$0.005 per common share.

- (a) Total investment return is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of the period reported. Dividends and distributions are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Total return is not annualized for periods less than one year. Brokerage commissions are not reflected. NAV per share is determined by dividing the value of the Fund's portfolio securities, cash and other assets, less all liabilities, by the total number of common shares outstanding. The common share market price is the price the market is willing to pay for shares of the Fund at a given time. Common share market price is influenced by a range of factors, including supply and demand and market conditions.
- (b) Annualized for periods less than one year.
- (c) Does not reflect the effect of dividend payments to Preferred Shareholders.
- (d) Calculated by subtracting the Fund's total liabilities (not including Preferred Shares) from the Fund's total assets and dividing this by the number of Preferred Shares outstanding.
- (e) Calculated by subtracting the Fund's total liabilities (not including Note payable) and preferred shares from the Fund's total assets and dividing this by the Note Payable outstanding.

Convertible and High Income Fund

26 **ANNUAL REPORT** Financial Highlights

---

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of Calamos Convertible and High Income Fund

We have reviewed the accompanying statement of assets and liabilities, including the schedule of investments, for Calamos Convertible and High Income Fund (the Fund ) as of April 30, 2009, and the related statements of operations, changes in net assets, and cash flows and the financial highlights for the semi-annual period then ended. These interim financial statements and financial highlights are the responsibility of the Fund's management.

We conducted our review in accordance with standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements and financial highlights taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to such interim financial statements and financial highlights for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the statement of changes in net assets of the Fund for the year ended October 31, 2008 and the financial highlights for each of the five years then ended; and in our report dated December 18, 2008, we expressed an unqualified opinion on such statement of changes in net assets and financial highlights.

Chicago, Illinois  
June 17, 2009



This page intentionally left blank.

---

This page intentionally left blank.

---

## About Closed-End Funds

### What is a Closed-End Fund?

A closed-end fund is a publicly traded investment company that raises its initial investment capital through the issuance of a fixed number of shares to investors in a public offering. Shares of a closed-end fund are listed on a stock exchange or traded in the over-the-counter market. Like all investment companies, a closed-end fund is professionally managed and offers investors a unique investment solution based on its investment objective approved by the fund's Board of Directors.

### Potential Advantages of Closed-End Fund Investing

**Defined Asset Pool Allows Efficient Portfolio Management** Although closed-end fund shares trade actively on a securities exchange, this doesn't affect the closed-end fund manager because there are no new investors buying into or selling out of the fund's portfolio.

**More Flexibility in the Timing and Price of Trades** Investors can purchase and sell shares of closed-end funds throughout the trading day, just like the shares of other publicly traded securities.

**Lower Expense Ratios** The expense ratios of closed-end funds are oftentimes less than those of mutual funds. Over time, a lower expense ratio could enhance investment performance.

**Closed-End Structure Makes Sense for Less-Liquid Asset Classes** A closed-end structure makes sense for investors considering less-liquid asset classes, such as high-yield bonds or micro-cap stocks.

**Ability to Put Leverage to Work** Closed-end funds may issue senior securities (such as preferred shares or debentures) or borrow money to leverage their investment positions.

### No Minimum Investment Requirements

## OPEN-END MUTUAL FUNDS VERSUS CLOSED-END FUNDS

### Open-End Fund

Issues new shares on an ongoing basis  
Issues equity shares

Sold at NAV plus any sales charge  
Sold through the fund's distributor  
Fund redeems shares at NAV calculated at the close of business day

### Closed-End Fund

Issues a fixed number of shares  
Can issue senior securities such as preferred shares and bonds  
Price determined by the marketplace  
Traded in the secondary market  
Fund does not redeem shares

Convertible and High Income Fund

30 SEMIANNUAL REPORT About Closed-End Funds

---

## Level Rate Distribution Policy

### **Using a Level Rate Distribution Policy to Promote Dependable Income and Total Return**

The goal of the level rate distribution policy is to provide investors a predictable, though not assured, level of cash flow, which can either serve as a stable income stream or, through reinvestment, contribute significantly to long-term total return.

We understand the importance that investors place on the stability of dividends and their ability to contribute to long-term total return, which is why we have instituted a level rate distribution policy for the Fund. Under the policy, monthly distributions paid may include net investment income, net realized short-term capital gains and, if necessary, return of capital. In addition, a limited number of distributions per calendar year may include net realized long-term capital gains. There is no guarantee that the Fund will realize capital gains in any given year. Distributions are subject to re-characterization for tax purposes after the end of the fiscal year. All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for distributions via Form 1099-DIV.

Distributions from the Fund are generally subject to Federal income taxes. For purposes of maintaining the level rate distribution policy, the Fund may realize short-term capital gains on securities that, if sold at a later date, would have resulted in long-term capital gains. Maintenance of a level rate distribution policy may increase transaction and tax costs associated with the Fund.

## Automatic Dividend Reinvestment Plan

### **Maximizing Investment with an Automatic Dividend Reinvestment Plan**

The Automatic Dividend Reinvestment Plan offers a simple, cost-efficient and convenient way to reinvest your dividends and capital gains distributions in additional shares of the Fund, allowing you to increase your investment in the Fund.

### **Potential Benefits**

**Compounded Growth:** By automatically reinvesting with the Plan, you gain the potential to allow your dividends and capital gains to compound over time.

**Potential for Lower Commission Costs:** Additional shares are purchased in large blocks, with brokerage commissions shared among all plan participants. There is no cost to enroll in the Plan.

**Convenience:** After enrollment, the Plan is automatic and includes detailed statements for participants. Participants can terminate their enrollment at any time.

For additional information about the Plan, please contact the Plan Agent, The Bank of New York Mellon, at 800.432.8224. If you wish to participate in the Plan and your shares are held in your own name, simply call the Plan Agent. If your shares are not held in your name, please contact your brokerage firm, bank, or other nominee to request that they participate in the Plan on your behalf. If your brokerage firm, bank, or other nominee is unable to participate on your behalf, you may request that your shares be re-registered in your own name.

We're pleased to provide our shareholders with the additional benefit of the Fund's Dividend Reinvestment Plan and hope that it may serve your financial plan.



## The Calamos Investments Advantage

Calamos' history is one of performing well for our clients through nearly 30 years of advances and declines in the market. We use proprietary risk-management strategies designed to control volatility, and maintain a balance between risk and reward throughout a market cycle.

### **Disciplined Investment Philosophy and Process**

Calamos Investments has developed a proprietary research and monitoring process that goes far beyond traditional security analysis. This process applies to each of our investment strategies, with emphasis varying by strategy. When combined with the company-specific research and industry insights of our investment team, the goal is nimble, dynamic management of a portfolio that allows us to anticipate and adapt to changing market conditions. In each of our investment strategies, from the most conservative to the most aggressive, our goals include maximizing return while controlling risk, protecting principal during volatile markets, avoiding short-term market timing, and maintaining a vigilant long-term outlook.

### **Comprehensive Risk Management**

Our approach to risk management includes continual monitoring, adherence to our discipline, and a focus on assuring a consistent risk profile during all phases of the market cycle. Incorporating qualitative and quantitative factors as well as a strong sell discipline, this risk-control policy seeks to help preserve investors' capital over the long term.

### **Proven Investment Management Team**

The Calamos Family of Funds benefits from our team's decades of experience in the investment industry. We follow a one-team, one-process approach that leverages the expertise of more than 50 investment professionals, led by Co-Chief Investment Officers John P. Calamos, Sr. and Nick P. Calamos, whose investment industry experience dates back to 1970 and 1983, respectively. Through the collective industry experience and educational achievements of our research and portfolio staff, we can respond to the challenges of the market with innovative and timely ideas.

### **Sound Proprietary Research**

Over the years, we have invested significant time and resources in developing and refining sophisticated analytical models that are the foundation of the firm's research capabilities, which we apply in conjunction with our assessment of broad themes. We believe evolving domestic policies, the growing global economy, and new technologies present long-term investment opportunities for those who can detect them.

Convertible and High Income Fund

32 **SEMIANNUAL REPORT** The Calamos Investments Advantage

---

Calamos Closed-End Funds

**Intelligent Asset Allocation in Five Distinct Closed-End Funds**

Depending on which Calamos closed-end fund you currently own, you may want to consider one or more of our other closed-end strategies to further diversify your investment portfolio.

Seek the advice of your financial advisor, who can help you determine your financial goals, risk tolerance, time horizon and income needs. To learn more, you can also visit our website at [www.calamos.com](http://www.calamos.com).

**Fund Asset Allocation as of 4/30/09**

**Fund Profile**

**Calamos Convertible Opportunities and Income Fund (CHI)**

**Providing Enhanced Fixed Income Potential**

**Objective:** The Fund seeks total return through a combination of capital appreciation and current income by investing in a diversified portfolio of convertible securities and below investment-grade (high-yield) fixed-income securities.

**Calamos Convertible and High Income Fund (CHY)**

**Providing Enhanced Fixed Income Potential**

**Objective:** The Fund seeks total return through a combination of capital appreciation and current income by investing in a diversified portfolio of convertible securities and below investment-grade (high-yield) fixed-income securities.

**Calamos Global Dynamic Income Fund (CHW)**

**Providing Global Enhanced Fixed Income Potential**

**Objective:** The Fund seeks to generate a high level of current income with a secondary objective of capital appreciation. The Fund has maximum flexibility to dynamically allocate among equities, fixed-income securities and alternative investments around the world.

**Calamos Strategic Total Return Fund (CSQ)**

**Providing Total Return**

**Objective:** The Fund seeks total return through a combination of capital appreciation and current income by investing in a diversified portfolio of equity, convertible and below investment-grade (high-yield) fixed-income securities.

**Calamos Global Total Return Fund (CGO)**

**Providing Global Total Return**

**Objective:** The Fund seeks total return through a combination of capital appreciation and current income by investing in a diversified portfolio of global equity, global convertible and below investment-grade (high-yield) fixed-income securities.

Fund asset allocations are based on total investments (excluding security lending collateral) and may vary over time.





ITEM 2. CODE OF ETHICS.

Not applicable.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable.

ITEM 6. SCHEDULE OF INVESTMENTS

Included in the Report to Shareholders in Item 1.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

No material changes.

ITEM 11. CONTROLS AND PROCEDURES.

a) The registrant's principal executive officer and principal financial officer have evaluated the registrant's disclosure controls and procedures within 90 days of this filing and have concluded that the registrant's disclosure controls and procedures were effective, as of that date, in ensuring that information required to be disclosed by the registrant in this Form N-CSR was recorded, processed, summarized, and reported timely.

b) There were no changes in the registrant's internal controls over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

(a)(1) Code of Ethics Not applicable.

(a)(2)(i) Certification of Principal Executive Officer.

(a)(2)(ii) Certification of Principal Financial Officer.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Calamos Convertible and High Income Fund

By: /s/ John P. Calamos, Sr.  
Name: John P. Calamos, Sr.  
Title: Principal Executive Officer  
Date: June 26, 2009

By: /s/ Nimish S. Bhatt  
Name: Nimish S. Bhatt  
Title: Principal Financial Officer  
Date: June 26, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Calamos Convertible and High Income Fund

By: /s/ John P. Calamos, Sr.  
Name: John P. Calamos, Sr.  
Title: Principal Executive Officer  
Date: June 26, 2009

By: /s/ Nimish S. Bhatt  
Name: Nimish S. Bhatt  
Title: Principal Financial Officer  
Date: June 26, 2009