

CALAMOS CONVERTIBLE & HIGH INCOME FUND  
Form N-CSRS  
June 29, 2006

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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: James S. Hamman, Jr., Secretary,  
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, 2006

DATE OF REPORTING PERIOD: November 1, 2004 through April 30, 2006

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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).

[PICTURE]

CALAMOS (R) CONVERTIBLE AND HIGH INCOME FUND (CHY)

SEMIANNUAL REPORT APRIL 30, 2006

[CALAMOS INVESTMENTS LOGO]

[PICTURE]

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[STAY CONNECTED LOGO]

Visit [WWW.CALAMOS.COM](http://WWW.CALAMOS.COM)  
for timely fund performance rates,  
insightful market commentary,  
fund news and portfolio information.

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GO PAPERLESS! For your convenience, you can view shareholder communications, annual reports and proxy statements online. Visit [www.calamos.com](http://www.calamos.com) to sign up for e-delivery.

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Letter to Shareholders

[PHOTO OF JOHN P. CALAMOS]

Dear Fellow Shareholders:

Thank you for your investment in CALAMOS CONVERTIBLE AND HIGH INCOME FUND (CHY). I am very pleased to report that for the six-month period ending April 30, 2006, the Fund continued to provide you with a consistent, attractive annualized distribution of 9.13% based on the closing market price of \$16.02 at the end of the period.

## FUND STRATEGY

The Fund is actively managed and seeks to provide attractive income to shareholders in a category we describe as Enhanced Fixed Income. These strategies utilize all ranges of credit quality and a variety of debt instruments to achieve the Fund's investment objective. In a low-inflation, low-interest rate environment, this strategy seeks to provide higher returns than traditional investment grade debt instruments. As the investment manager of this strategy, we see that three primary risks need to be addressed: changes in

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credit worthiness, equity market volatility and interest rate risk.

Changes in credit worthiness are managed by analyzing each security through a fundamental analytical process as well as through diversification in the securities held and the industry groups held. The portfolio also seeks to mitigate some of the interest rate exposure by accepting some equity-market exposure in return. This is accomplished by using a combination of both high-yield bonds and convertible bonds. Interest rate risk is managed using a variety of techniques including the use of swaps, a hedging technique that seeks to minimize the impact of short-term interest rate increases, and actively managing the average duration of the portfolio. Duration takes into consideration the cash flows from the securities as well as the time to payment of principal.

The potential advantage to the combination of these securities is that in a rising-interest-rate environment due to strong economic conditions, these securities can offset the higher interest rates. Convertible securities, for example, have an equity component that increases the value of the bond as the

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underlying stock increases, regardless of what the general trend of interest rates happen to be at the time.

As an investor, you must decide how much of your fixed-income asset allocation should be dedicated to an enhanced fixed-income strategy. We feel we are in a period where this strategy will prove valuable to your fixed-income asset allocation. For example, during the first calendar quarter of 2006, interest rates rose and the investment-grade market, as measured by the Lehman Brothers Aggregate Bond Index, (1) was down -0.65%, whereas the Fund's total return based on the value of the portfolio, net asset value, increased 4.48% for the first three months of 2006. This Fund should be considered the portion of your fixed-income allocation that favors economic growth because the convertible securities participate in the rising equity markets, while the high-yield bonds participate as access to capital improves companies' balance sheets whereby companies experience credit-rating upgrades and the bonds rise in value.

During the semiannual period, the Fund delivered a total of \$0.6095 per share in monthly distributions to shareholders, comprised of earned income. In addition, the Fund paid short- and long-term capital gains distributions totaling \$0.2139 per share in January, reflecting the capacity for the Fund's holdings to not only generate income, but to also experience capital appreciation.

### OUR HISTORY OF INNOVATION

CALAMOS INVESTMENTS has a history of producing innovative closed-end fund vehicles that offer a dynamic approach to asset allocation. For example, we were one of the first firms to introduce closed-end fund investors to the merits of combining convertible securities with other securities such as stocks and corporate bonds, aiming to provide total return with current income in a risk-managed framework.

Calamos is dedicated to superior investment performance. The Fund is an example of the way we have created new strategies based on our core expertise to help you achieve and benefit from greater portfolio diversification. This is a recognized way to try to reduce some of the risk that comes with investing.

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At CALAMOS INVESTMENTS, we regard ourselves first and foremost as risk managers. The surest way of building wealth is protecting principal. We believe that by combining convertible- and- corporate fixed-income securities that provide significant income as well as exposure to the equity market's upside potential, we can offer our shareholders the potential for long-term wealth creation in a manner

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consistent with our focus on risk management. Talk to your financial advisor about other Calamos strategies that may fit your investment objectives.

### THE CONVENIENCE OF REINVESTMENT

Take advantage of the convenience of accumulating more shares of the Fund through the dividend reinvestment plan, an efficient method for purchasing additional shares with a potential for cost savings. For example, if the Fund's shares are trading at a premium, dividends will be automatically reinvested through the plan at NAV or 95% of the market price, whichever is greater; if shares are trading at a discount, dividends will be reinvested by purchasing shares at the market price, below NAV. For additional information about the plan, please contact the Plan Agent, The Bank of New York, at 800-432-8224 or visit us on the web at [www.calamos.com/chy.aspx](http://www.calamos.com/chy.aspx).

### STAY CONNECTED WITH CALAMOS

I welcome the opportunity to address shareholders in these reports but urge you to stay connected with Calamos via our website [www.calamos.com](http://www.calamos.com) where you will find timely portfolio details, our outlook and special reports.

### THANK YOU

Thank you for the confidence you have placed in our team, investment process and the Calamos Closed-End Funds. We will do our utmost to continue to earn your trust and look forward to serving your long-term investment plan.

Sincerely,

/s/ John P. Calamos

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

(1) Lehman Brothers Aggregate Bond Index is composed of securities from Lehman Brothers Government/ Corporate Bond Index, Mortgage-Backed Securities Index, and the Asset-Backed Securities Index. The index's total return consists of price appreciation/depreciation plus income as a percentage of the original investment. Indexes are rebalanced monthly by market capitalization. Source: Russell/Mellon Analytical Services LLC.

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

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## Investment Team Interview

WITH THE CALAMOS INVESTMENT TEAM LED BY CO-CHIEF INVESTMENT OFFICERS, JOHN P. CALAMOS, SR. AND NICK P. CALAMOS

### HOW DOES THE FUND FIT IN AN INVESTOR'S OVERALL ASSET ALLOCATION?

The Fund offers investors an enhanced fixed-income strategy focused on delivering an attractive income stream with the potential for capital gains. The types of bonds that the Fund holds (high-yield corporate and convertible securities) have different characteristics than traditional bonds, providing an attractive complement to a standard fixed-income allocation. The Fund is designed to perform well in a period marked by economic expansion and rising interest rates, whereas traditional high-quality bonds tend to perform poorly in a rising interest rate environment. (Such a distinction was made especially clear during the first calendar quarter of 2006, when traditional bonds endured negative returns, while equity-sensitive high-yield and convertible bonds enjoyed gains.) It is also worth noting that since the Fund's holdings have different sensitivities than traditional bonds, the Fund can further diversify the income-focused portion of an investor's asset allocation.

### FUND ASSET ALLOCATION AS OF APRIL 30, 2006

[PIE CHART]

CONVERTIBLE SECURITIES	40.3%
HIGH YIELD/CORPORATE BONDS	58.5%
SHORT-TERM INVESTMENTS	1.2%

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

### HOW DID THE FUND PERFORM OVER THE REPORTING PERIOD?

The Fund performed well: Its underlying portfolio (as represented by net asset value or NAV) returned 7.88% during the six-month period, and the Fund's market price returned 8.85% during the same period.

### TOTAL RETURN\* AS OF APRIL 30, 2006

COMMON SHARES -- INCEPTION 5/28/03	6 MONTHS	1 YEAR	SINCE INCEPTION**
-----	-----	-----	-----
On Share Price	8.85%	15.97%	12.03%
On NAV	7.88	14.52	12.68

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. You can purchase or sell common shares daily. Like any other stock, market price will fluctuate with the market. Upon sale, your shares may have a market price that is above or below net asset value and may be worth more or less than your original investment. Due to ongoing market volatility, performance is subject to substantial short-term fluctuations.

\*Total return measures net investment income and capital gain or loss from

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portfolio investments, assuming reinvestment of income and capital gains distributions.

\*\*Annualized since inception.

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### Investment Team Interview

INTEREST RATES CONTINUED TO MOVE HIGHER OVER THE PERIOD, WITH THE FEDERAL FUNDS RATE MOVING FROM 4.00% AT THE BEGINNING OF THE PERIOD TO 4.75% AT THE END OF APRIL 2006. HOW DID THIS RISING RATE ENVIRONMENT IMPACT THE PORTFOLIO?

Rising short-term interest rates have had little impact on the Fund's cost of leverage. Many closed-end funds leverage the portfolio by borrowing funds at very short-term rates. As short-term interest rates rise, this increases the cost of leverage and can impact the yield and total return of the portfolio. While the Fund does employ leverage, the cost of leverage was locked in for longer periods at an earlier point in the interest rate cycle, when rates were lower. As of the end of April 2006, 93% of the leverage for CHY was locked in longer-term rates and not susceptible to rising short-term interest rates. By locking in the cost of leverage longer term, the portfolio is not significantly affected by rising short-term interest rates.

Long-term interest rates also rose over the period, with the yield on the 10-year Treasury moving from 4.57% at the beginning of the period to 5.07% at the end of April 2006. Rising long-term interest rates tend to negatively affect traditional high-quality fixed-income securities. As noted above, this portfolio combines high-yield corporate bonds and convertible bonds that tend to be more economically sensitive and much less interest-rate sensitive. This is shown by the positive performance delivered over the period as the portfolio benefited from continued economic expansion and a rising equity market.

TEN YEAR TREASURY AS OF APRIL 30, 2006

[LINE GRAPH]

31 Oct'05	4.57%
Nov'05	4.49%
Dec'05	4.39%
Jan'06	4.53%
Feb'06	4.55%
Mar'06	4.86%
Apr'06	5.07%

Furthermore, the portfolio continues to provide an attractive yield for shareholders: CHY's monthly distribution equated to a 9.13% annualized distribution rate based on the market price as of April 30, 2006.

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HOW DID THE FUND BENEFIT FROM POSITIONING DURING THE REPORTING PERIOD?

On a sector basis, the Fund benefited significantly from our selection of holdings within the Financials, Information Technology, Industrials and Energy sectors. The portfolio also benefited from our focus on more equity-sensitive convertible securities, which performed well, reflecting the positive returns in their underlying equities.

The portfolio has also increased the use of synthetic convertible securities, which has benefited the performance Synthetic convertible securities are created by combining a traditional fixed-income bond with a call option. Through the use of these securities, the portfolio team can effectively manage the credit risk, interest-rate sensitivity, and equity sensitivity of the portfolio. Synthetic securities provide an additional tool for the investment team in constructing the portfolio and managing the overall risk/reward.

### SECTOR ALLOCATION

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Consumer Discretionary	20.6%
Financials	16.3
Industrials	13.4
Energy	11.3
Information Technology	8.9
Consumer Staples	8.1
Health Care	7.7
Materials	7.4
Utilities	4.6
Telecommunication Services	1.7

Sector allocations are based on total investments (excluding security lending collateral and short-term investments) and may vary over time.

HOW DID THE FUND'S POSITIONING HURT PERFORMANCE OVER THE PERIOD?

While securities within each sector contributed to positive returns, issues within Materials, Health Care, Consumer Staples and Utilities lagged other sectors for the period. In addition, the investment team's focus on issues with solid credits and relatively strong balance sheets was not especially rewarded over the period, as many of the lowest-quality distressed credits performed well over the period. While avoiding distressed issues detracted from returns on a relative basis for this six-month period, we believe that over a full market cycle our rigorous credit research will provide clients with a portfolio with an attractive risk/reward profile.

DO YOU ANTICIPATE MAKING ANY CHANGES WITHIN THE PORTFOLIO GOING FORWARD?

The portfolio continues to be actively managed to take advantage of opportunities in the marketplace. Through extensive fundamental analysis, we are focusing on

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issues that have stable growth prospects and solid balance sheets, which can

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benefit from the current economic backdrop. For example, during a slow-but-stable growth phase of the economy, larger companies tend to outperform, as do sectors such as Consumer Staples.

We also may continue to make use of synthetic convertible securities, as they allow the investment team the flexibility to control credit risk, interest-rate sensitivity and equity sensitivity. We continue to believe that the convertible market is attractively valued. Valuations within the convertible market had declined toward the end of 2004 and into 2005 due to selling pressure from hedge funds employing convertible arbitrage strategies. Valuations remain attractive within the convertible bond market, and the portfolio is positioned with the potential to take advantage of an improving convertible bond market. While current convertible valuations remain attractive, should valuations improve, the allocation to convertible securities would likely be reduced. We will continue to make use of our fundamental research as we look for securities with stable growth prospects, solid balance sheets and good risk/reward profiles.

WHAT IS YOUR MARKET OUTLOOK AND HOW IS THE PORTFOLIO POSITIONED TO TAKE ADVANTAGE OF THIS ENVIRONMENT?

We believe the economy is in the mid-cycle growth phase characterized by:

- Positive but slowing gross domestic product growth
- Corporate earnings that are strong, albeit slowing
- High household net worth and wage growth
- Strong corporate balance sheets that support increased capital expenditures

We believe the portfolio will continue to perform well in this environment. The equity-sensitive nature of high-yield and convertible bonds can benefit from a positive environment for equity securities. Another positive factor for equity-sensitive holdings may materialize should the Fed complete this cycle of raising interest rates. In the past, this has triggered renewed excitement for stocks and the Fund -- unlike traditional fixed-income holdings -- has the potential to significantly benefit from such enthusiasm.

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Investment Team Interview SEMIANNUAL REPORT 7

### Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT		VAL
CORPORATE BONDS (82.4%)		
	CONSUMER DISCRETIONARY (19.7%)	
\$ 2,738,000	Asbury Automotive Group, Inc. 9.000%, 06/15/12	\$ 2,8
9,126,000	Beazer Homes USA, Inc. 8.375%, 04/15/12	9,5
4,563,000	Broder Bros. Co. 11.250%, 10/15/10	4,4



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4,563,000	DEX Media, Inc.@		
	8.000%, 11/15/13		4,7
1,597,000	DIRECTV Financing Company, Inc.		
	8.375%, 03/15/13		1,7
5,750,000	EchoStar Communications Corp.*		
	7.125%, 02/01/16		5,6
1,711,000	EchoStar DBS Corp.		
	6.625%, 10/01/14		1,6
11,053,000	EMI Group, PLC	GBP	
	9.750%, 05/20/08		21,6
730,000	General Motors Corp.		
	7.125%, 07/15/13		5
	Goodyear Tire & Rubber Company		
6,388,000	7.857%, 08/15/11@		6,3
4,563,000	7.000%, 03/15/28		3,9
6,183,000	GSC Holdings Corp.*@		
	8.000%, 10/01/12		6,2
8,487,000	Hasbro, Inc.		
	6.600%, 07/15/28		7,9
5,750,000	Houghton Mifflin Company@		
	9.875%, 02/01/13		6,1
867,000	Hovnanian Enterprises, Inc.		
	7.750%, 05/15/13		8
3,651,000	IMAX Corp.		
	9.625%, 12/01/10		3,9
4,563,000	Interpublic Group of Companies, Inc.		
	7.250%, 08/15/11		4,2
4,563,000	Intrawest Corp.		
	7.500%, 10/15/13		4,6
	J.C. Penney Company, Inc.		
1,825,000	9.000%, 08/01/12		2,0
1,369,000	7.650%, 08/15/16		1,4
4,107,000	Jarden Corp.@		
	9.750%, 05/01/12		4,2

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See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT -----		VALU -----
\$ 2,930,000	Kellwood Company	
	7.625%, 10/15/17	\$ 2,
4,563,000	Landry's Restaurants, Inc.@	
	7.500%, 12/15/14	4,
6,388,000	Linens `n Things, Inc.*@++	
	10.702%, 01/15/14	6,
3,582,000	Mandalay Resort Group@	
	7.625%, 07/15/13	3,
1,369,000	NCL Holding, ASA	

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10,795,000		10.625%, 07/15/14	1,
		Oxford Industries, Inc.	
867,000		8.875%, 06/01/11	11,
		Phillips-Van Heusen Corp.	
913,000		8.125%, 05/01/13	
		Pinnacle Entertainment, Inc.	
2,738,000		8.250%, 03/15/12	
		Rent-A-Center, Inc.	
3,422,000	CAD	7.500%, 05/01/10	2,
		Rogers Cable, Inc.	
4,107,000	CAD	7.250%, 12/15/11	3,
		Rogers Wireless, Inc.	
10,860,000		7.625%, 12/15/11	3,
		Royal Caribbean Cruises, Ltd.@	
4,563,000		7.500%, 10/15/27	11,
		Russell Corp.@	
7,849,000		9.250%, 05/01/10	4,
		Vail Resorts, Inc.	
6,388,000		6.750%, 02/15/14	7,
		Warnaco Group, Inc.@	
1,825,000	GBP	8.875%, 06/15/13	6,
		Warner Music Group	
1,825,000		8.125%, 04/15/14	3,
		7.375%, 04/15/14@	1,
5,932,000		WCI Communities, Inc.@	
2,738,000		7.875%, 10/01/13	5,
456,000		6.625%, 03/15/15	2,
		William Lyon Homes, Inc.	
821,000		10.750%, 04/01/13	
		Wynn Las Vegas, LLC@	
		6.625%, 12/01/14	
			-----
			191,
			-----

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See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT		VALU
-----		-----
\$ 1,825,000	CONSUMER STAPLES (7.5%) Central Garden & Pet Company	
	9.125%, 02/01/13	\$ 1,94
5,019,000	Chattem, Inc.	
	7.000%, 03/01/14	5,04
4,107,000	Chiquita Brands International, Inc.	
	7.500%, 11/01/14	3,57
5,161,000	Del Monte Foods Company	
	8.625%, 12/15/12	5,44

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5,287,000	Dole Food Company, Inc. 8.875%, 03/15/11	5,18
4,070,000	8.625%, 05/01/09	4,03
2,062,000	Gold Kist, Inc.@ 10.250%, 03/15/14	2,19
12,321,000	Jean Coutu Group, Inc.@ 8.500%, 08/01/14	11,61
4,107,000	NBTY, Inc.* 7.125%, 10/01/15	3,90
3,651,000	Pinnacle Foods Holding@ 8.250%, 12/01/13	3,67
5,841,000	Playtex Products, Inc. 8.000%, 03/01/11	6,19
5,932,000	R.J. Reynolds Tobacco Holdings, Inc. 7.300%, 07/15/15	6,05
5,019,000	Revlon, Inc.@ 9.500%, 04/01/11	4,94
1,825,000	Smithfield Foods, Inc. 7.750%, 05/15/13	1,84
4,700,000	Spectrum Brands, Inc.@ 8.500%, 10/01/13	4,17
2,784,000	WH Intermediate Holdings, Ltd. 9.500%, 04/01/11	2,99
		----- 72,81
8,214,000	ENERGY (10.2%) Arch Western Finance, LLC@ 6.750%, 07/01/13	8,17
3,651,000	Chesapeake Energy Corp.@ 6.875%, 01/15/16	3,61
1,825,000	7.750%, 01/15/15	1,89
3,605,000	Comstock Resources, Inc. 6.875%, 03/01/12	3,54

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See accompanying Notes to Schedule of Investments.

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PRINCIPAL AMOUNT		VALU
-----		-----
\$ 821,000	Energy Partners, Ltd. 8.750%, 08/01/10	\$
4,563,000	Forest Oil Corp.@ 8.000%, 12/15/11	4,
5,476,000	Giant Industries, Inc. 8.000%, 05/15/14	5,
1,825,000	11.000%, 05/15/12	2,
10,358,000	Houston Exploration Company 7.000%, 06/15/13	10,
6,297,000	KCS Energy, Inc.	

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	7.125%, 04/01/12	6,
2,496,000	Lone Star Technologies, Inc.	
	9.000%, 06/01/11	2,
4,221,000	Paramount Resources, Ltd.	
	8.500%, 01/31/13	4,
	Petroleo Brasileiro, SA@	
6,845,000	8.375%, 12/10/18	7,
4,563,000	9.125%, 07/02/13	5,
15,971,000	Premcor Refining Group, Inc.	
	7.500%, 06/15/15	16,
2,738,000	Swift Energy Company@	
	7.625%, 07/15/11	2,
5,932,000	Whiting Petroleum Corp.	
	7.250%, 05/01/12	5,
6,343,000	Williams Companies, Inc.@	
	7.750%, 06/15/31	6,
		-----
		99,
		-----
	FINANCIALS (4.8%)	
	E*TRADE Financial Corporation	
6,936,000	7.375%, 09/15/13	7,
4,928,000	7.875%, 12/01/15	5,
1,278,000	8.000%, 06/15/11	1,
	Host Marriott Corp.@	
10,039,000	7.125%, 11/01/13	10,
1,917,000	9.250%, 10/01/07	2,
10,952,000	Leucadia National Corp.	
	7.000%, 08/15/13	10,
867,000	Omega Healthcare Investors, Inc.	
	7.000%, 04/01/14	

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See accompanying Notes to Schedule of Investments.

Schedule of Investments

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PRINCIPAL AMOUNT		VAL
-----		-----
	Senior Housing Properties Trust	
\$ 4,563,000	8.625%, 01/15/12	\$ 5,
3,224,000	7.875%, 04/15/15	3,
		-----
		46,
		-----
	HEALTH CARE (6.4%)	
14,853,000	Ameripath, Inc.@	
	10.500%, 04/01/13	15,
3,222,000	Angiotech Pharmaceuticals, Inc.*@	
	7.750%, 04/01/14	3,

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13,324,000	Bausch & Lomb, Inc. 7.125%, 08/01/28	12,
1,825,000	Bio-Rad Laboratories, Inc. 7.500%, 08/15/13	1,
2,053,000	Biovail Corp.@ 7.875%, 04/01/10	2,
821,000	DaVita, Inc. 7.250%, 03/15/15	
639,000	Omnicare, Inc.@ 6.875%, 12/15/15	
3,970,000	Psychiatric Solutions, Inc. 7.750%, 07/15/15	4,
9,218,000	Tenet Healthcare Corp.*@ 9.250%, 02/01/15	9,
4,883,000	Valeant Pharmaceuticals International 7.000%, 12/15/11	4,
6,388,000	Vanguard Health Systems, Inc.@ 9.000%, 10/01/14	6,
		----- 62, -----
	INDUSTRIALS (11.7%)	
2,510,000	Accuride Corp. 8.500%, 02/01/15	2,
5,476,000	American Airlines, Inc. 7.250%, 02/05/09	5,
2,282,000	Armor Holdings, Inc.@ 8.250%, 08/15/13	2,
2,738,000	BE Aerospace, Inc. 8.875%, 05/01/11@	2,
1,825,000	8.500%, 10/01/10	1,
14,602,000	CNH Global, NV 9.250%, 08/01/11	15,

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See accompanying Notes to Schedule of Investments.

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PRINCIPAL AMOUNT		VAL
-----		-----
\$ 1,369,000	Columbus McKinnon Corp.@ 8.875%, 11/01/13	\$ 1,
15,058,000	Esterline Technologies Corp.@ 7.750%, 06/15/13	15,
3,194,000	Gardner Denver, Inc. 8.000%, 05/01/13	3,
1,369,000	GATX Corp. 8.875%, 06/01/09	1,
5,357,000	General Cable Corp.@ 9.500%, 11/15/10	5,
3,194,000	Greenbrier Companies, Inc.	

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	8.375%, 05/15/15	3,
821,000	Hexcel Corporation	
	6.750%, 02/01/15	
593,000	Interline Brands, Inc.	
	11.500%, 05/15/11	
	JLG Industries, Inc.	
6,936,000	8.250%, 05/01/08	7,
3,194,000	8.375%, 06/15/12@	3,
3,966,000	Manitowoc Company, Inc.	
	10.500%, 08/01/12	4,
7,709,000	Mobile Mini, Inc.	
	9.500%, 07/01/13	8,
4,563,000	Monitronics International, Inc.@	
	11.750%, 09/01/10	4,
2,190,000	Orbital Sciences Corp.	
	9.000%, 07/15/11	2,
	Sequa Corp.	
6,388,000	8.875%, 04/01/08	6,
1,825,000	9.000%, 08/01/09	1,
	Terex Corp.	
2,510,000	9.250%, 07/15/11@	2,
1,729,000	7.375%, 01/15/14	1,
2,053,000	Trinity Industries, Inc.	
	6.500%, 03/15/14	1,
1,825,000	Wesco Distribution, Inc.*	
	7.500%, 10/15/17	1,
	Williams Scotsman International, Inc.	
1,825,000	8.500%, 10/01/15	1,
456,000	8.500%, 10/01/15*	

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113,  
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Convertible and High Income Fund  
Schedule of Investments SEMIANNUAL REPORT 13

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT		VALU
-----		-----
	INFORMATION TECHNOLOGY (6.7%)	
\$ 5,908,000	Advanced Micro Devices, Inc.	
	7.750%, 11/01/12	\$ 6,2
2,501,000	Arrow Electronics, Inc.	
	6.875%, 06/01/18	2,5
821,000	Avago Technologies*@	
	11.875%, 12/01/15	9
	Celestica, Inc.@	
7,757,000	7.625%, 07/01/13	7,7
3,651,000	7.875%, 07/01/11	3,7
1,825,000	Flextronics International, Ltd.@	
	6.500%, 05/15/13	1,8

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4,563,000		Freescale Semiconductor, Inc. 7.125%, 07/15/14	4,6
1,825,000	GBP	Iron Mountain, Inc.* 7.250%, 04/15/14	3,3
388,000		Sanmina-SCI Corporation 8.125%, 03/01/16	3
7,849,000		SunGard Data Systems, Inc.*@ 9.125%, 08/15/13	8,4
6,388,000		Telcordia Technologies* 10.000%, 03/15/13	5,8
18,709,000		Xerox Corp. 7.625%, 06/15/13	19,4
			-----
			65,0
			-----
		MATERIALS (9.3%)	
		Aleris International, Inc.	
4,746,000		10.375%, 10/15/10	5,2
3,520,000		9.000%, 11/15/14@	3,6
4,563,000		Ball Corp.@ 6.875%, 12/15/12	4,6
913,000		Crown Holdings, Inc.* 7.750%, 11/15/15	9
17,358,000		Equistar Chemicals, LP@ 10.625%, 05/01/11	19,0
11,727,000		Freeport-McMoRan Copper & Gold, Inc. 10.125%, 02/01/10	12,6
821,000		Gibraltar Industries, Inc.* 8.000%, 12/01/15	8
5,476,000	EUR	Ineos Group Holdings, PLC* 7.875%, 02/15/16	6,6
913,000		8.500%, 02/15/16@	8

Convertible and High Income Fund  
14 SEMIANNUAL REPORT Schedule of Investments

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

	PRINCIPAL AMOUNT		VAL
	-----		-----
\$	5,476,000	IPSCO, Inc. 8.750%, 06/01/13	\$ 5,
	8,214,000	Neenah Paper, Inc.@ 7.375%, 11/15/14	7,
	1,369,000	P.H. Glatfelter Company* 7.125%, 05/01/16	1,
	2,738,000	Polyone Corp.@ 10.625%, 05/15/10	2,
	4,563,000	Sealed Air Corp.* 6.875%, 07/15/33	4,
	1,825,000	Texas Industries, Inc. 7.250%, 07/15/13	1,

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4,426,000	Union Carbide Corp.	7.875%, 04/01/23	4,
2,966,000		7.500%, 06/01/25	3,
3,377,000	Westlake Chemical Corporation	6.625%, 01/15/16	3,
			-----
			89,
			-----
	TELECOMMUNICATION SERVICES (2.1%)		
5,476,000	AT&T Corp.	9.750%, 11/15/31	6,
639,000	Citizens Communications Company	9.000%, 08/15/31	
6,388,000	Sprint Nextel Corporation	7.375%, 08/01/15	6,
2,510,000	Stratos Global Corp.*@	9.875%, 02/15/13	2,
4,107,000	Syniverse Technologies, Inc.	7.750%, 08/15/13	4,
			-----
			20,
			-----
	UTILITIES (4.0%)		
4,563,000	Centerpoint Energy, Inc.@	6.850%, 06/01/15	4,
	Edison International		
5,476,000		9.875%, 04/15/11@	6,
3,651,000		10.000%, 08/15/08	3,
913,000	NRG Energy, Inc.@	7.375%, 02/01/16	
4,563,000	Public Service Enterprise Group, Inc.	8.625%, 02/15/08	4,

Convertible and High Income Fund  
Schedule of Investments SEMIANNUAL REPORT 15

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT			VALU
-----			-----
\$11,499,000	Teco Energy, Inc.	7.500%, 06/15/10	\$ 12,
6,388,000	TXU Corp.@	6.500%, 11/15/24	5,
			-----
			38,
			-----
	TOTAL CORPORATE BONDS		
	(Cost \$782,682,824)		799,
			=====
	CONVERTIBLE BONDS (19.5%)		



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	CONSUMER DISCRETIONARY (3.7%)	
6,500,000	Lamar Advertising Company@	
	2.875%, 12/31/10	7,
7,800,000	Liberty Media Corporation (Motorola, Inc.) [ ]	
	3.500%, 01/15/31	7,
	Liberty Media Corporation (Sprint Corporation PCS) [ ]	
4,142,000	3.750%, 02/15/30	2,
1,974,000	4.000%, 11/15/29	1,
3,750,000	GBP Punch Taverns Redwood Jersey Co. Ltd.	
	5.000%, 12/14/10	7,
9,000,000	Walt Disney Company@	
	2.125%, 04/15/23	9,
		-----
		36,
		-----
	ENERGY (1.3%)	
9,000,000	Helix Energy Solutions Group*	
	3.250%, 12/15/25	13,
		-----
	FINANCIALS (1.0%)	
6,000,000	Deutsche Bank Luxembourg S.A. (USA Interactive)*++ [ ]	
	4.880%, 05/01/12	7,
2,500,000	Travelers Property Casualty Corp.	
	4.500%, 04/15/32	2,
		-----
		9,
		-----
	HEALTH CARE (2.6%)	
10,500,000	Emdeon Corp.*	
	3.125%, 09/01/25	10,
6,500,000	Invitrogen Corp.*	
	3.250%, 06/15/25	6,
8,000,000	Wyeth++	
	4.239%, 01/15/24	8,
		-----
		24,
		-----

Convertible and High Income Fund  
16 SEMIANNUAL REPORT Schedule of Investments

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT		VALU
-----		-----
	INDUSTRIALS (4.7%)	
\$ 8,000,000	Allied Waste Industries, Inc.@	
	4.250%, 04/15/34	\$ 7,
11,500,000	GATX Corp.	
	4.499%, 02/01/07	16,
6,400,000	Lockheed Martin Corp.@++	
	7.200%, 08/15/33	7,

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3,500,000	Quanta Services, Inc. 4.500%, 10/01/23	5,
13,000,000	Roper Industries, Inc.++ 1.481%, 01/15/34	8,
		45,
		-----
	INFORMATION TECHNOLOGY (4.6%)	
1,000,000	Conexant Systems, Inc.*@ 4.000%, 03/01/26	1,
4,000,000	CSG Systems International, Inc. 2.500%, 06/15/24	4,
5,500,000	DST Systems, Inc. 4.125%, 08/15/23	7,
6,750,000	Electronic Data Systems Corp. 3.875%, 07/15/23	7,
6,000,000	Mentor Graphics Corp.*@ 6.250%, 03/01/26	6,
3,000,000	Openwave Systems, Inc.@ 2.750%, 09/09/08	3,
14,000,000	Vishay Intertechnology, Inc. 3.625%, 08/01/23	14,
		-----
		44,
		-----
	UTILITIES (1.6%)	
6,500,000	CenterPoint Energy, Inc.@ 3.750%, 05/15/23	7,
3,500,000 GBP	Scottish and Southern Energy, PLC 3.750%, 10/29/09	8,
		-----
		15,
		-----
	TOTAL CONVERTIBLE BONDS (Cost \$173,748,485)	188,
		=====

Convertible and High Income Fund  
Schedule of Investments SEMIANNUAL REPORT 17

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT		VAL
-----		-----
	SYNTHETIC CONVERTIBLE SECURITIES (9.3%)	
	CORPORATE BONDS (7.9%)	
	CONSUMER DISCRETIONARY (1.9%)	
\$ 262,000	Asbury Automotive Group, Inc. 9.000%, 06/15/12	\$
874,000	Beazer Homes USA, Inc. 8.375%, 04/15/12	

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437,000		Broder Bros. Co. 11.250%, 10/15/10
437,000		DEX Media, Inc.@ 8.000%, 11/15/13
153,000		DIRECTV Financing Company, Inc. 8.375%, 03/15/13
550,000		EchoStar Communications Corp.* 7.125%, 02/01/16
164,000		EchoStar DBS Corp. 6.625%, 10/01/14
1,058,000	GBP	EMI Group, PLC 9.750%, 05/20/08
70,000		General Motors Corp. 7.125%, 07/15/13
		Goodyear Tire & Rubber Company
612,000		7.857%, 08/15/11@
437,000		7.000%, 03/15/28
592,000		GSC Holdings Corp.*@ 8.000%, 10/01/12
813,000		Hasbro, Inc. 6.600%, 07/15/28
550,000		Houghton Mifflin Company@ 9.875%, 02/01/13
83,000		Hovnanian Enterprises, Inc. 7.750%, 05/15/13
349,000		IMAX Corp. 9.625%, 12/01/10
437,000		Interpublic Group of Companies, Inc. 7.250%, 08/15/11
437,000		Intrawest Corp. 7.500%, 10/15/13
		J.C. Penney Company, Inc.
175,000		9.000%, 08/01/12
131,000		7.650%, 08/15/16
393,000		Jarden Corp.@ 9.750%, 05/01/12

Convertible and High Income Fund  
18 SEMIANNUAL REPORT Schedule of Investments

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT		VAL
-----		-----
\$ 280,000	Kellwood Company 7.625%, 10/15/17	\$
437,000	Landry's Restaurants, Inc.@ 7.500%, 12/15/14	
612,000	Linens `n Things, Inc.*@++ 10.702%, 01/15/14	

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343,000		Mandalay Resort Group@ 7.625%, 07/15/13	
131,000		NCL Holding, ASA 10.625%, 07/15/14	
1,033,000		Oxford Industries, Inc. 8.875%, 06/01/11	1,
83,000		Phillips-Van Heusen Corp. 8.125%, 05/01/13	
87,000		Pinnacle Entertainment, Inc. 8.250%, 03/15/12	
262,000		Rent-A-Center, Inc. 7.500%, 05/01/10	
328,000	CAD	Rogers Cable, Inc. 7.250%, 12/15/11	
393,000	CAD	Rogers Wireless, Inc. 7.625%, 12/15/11	
1,040,000		Royal Caribbean Cruises, Ltd.@ 7.500%, 10/15/27	1,
437,000		Russell Corp.@ 9.250%, 05/01/10	
751,000		Vail Resorts, Inc. 6.750%, 02/15/14	
612,000		Warnaco Group, Inc.@ 8.875%, 06/15/13	
175,000	GBP	Warner Music Group 8.125%, 04/15/14	
175,000		WCI Communities, Inc.@ 7.875%, 10/01/13	
568,000		6.625%, 03/15/15	
262,000		William Lyon Homes, Inc. 10.750%, 04/01/13	
44,000		Wynn Las Vegas, LLC@ 6.625%, 12/01/14	
79,000			

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Convertible and High Income Fund  
Schedule of Investments SEMIANNUAL REPORT 19

See accompanying Notes to Schedule of Investments.

Schedule of Investments  
APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT		VAL
-----		-----
\$ 175,000	CONSUMER STAPLES (0.7%) Central Garden & Pet Company 9.125%, 02/01/13	\$
481,000	Chattem, Inc. 7.000%, 03/01/14	
393,000	Chiquita Brands International, Inc. 7.500%, 11/01/14	

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494,000	Del Monte Foods Company 8.625%, 12/15/12 Dole Food Company, Inc.
506,000	8.875%, 03/15/11
390,000	8.625%, 05/01/09
197,000	Gold Kist, Inc.® 10.250%, 03/15/14
1,179,000	Jean Coutu Group, Inc.® 8.500%, 08/01/14
393,000	NBTY, Inc.* 7.125%, 10/01/15
349,000	Pinnacle Foods Holding® 8.250%, 12/01/13
559,000	Playtex Products, Inc. 8.000%, 03/01/11
568,000	R.J. Reynolds Tobacco Holdings, Inc. 7.300%, 07/15/15
481,000	Revlon, Inc.® 9.500%, 04/01/11
175,000	Smithfield Foods, Inc. 7.750%, 05/15/13
450,000	Spectrum Brands, Inc.® 8.500%, 10/01/13
267,000	WH Intermediate Holdings, Ltd. 9.500%, 04/01/11
	ENERGY (1.0%)
786,000	Arch Western Finance, LLC® 6.750%, 07/01/13 Chesapeake Energy Corp.®
349,000	6.875%, 01/15/16
175,000	7.750%, 01/15/15
345,000	Comstock Resources, Inc. 6.875%, 03/01/12

Convertible and High Income Fund  
20 SEMIANNUAL REPORT Schedule of Investments

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT		VAL
-----		-----
\$ 79,000	Energy Partners, Ltd. 8.750%, 08/01/10	\$
437,000	Forest Oil Corp.® 8.000%, 12/15/11 Giant Industries, Inc.	
524,000	8.000%, 05/15/14	
175,000	11.000%, 05/15/12	
992,000	Houston Exploration Company	

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	7.000%, 06/15/13	
603,000	KCS Energy, Inc.	
	7.125%, 04/01/12	
239,000	Lone Star Technologies, Inc.	
	9.000%, 06/01/11	
404,000	Paramount Resources, Ltd.	
	8.500%, 01/31/13	
	Petroleo Brasileiro, SA@	
655,000	8.375%, 12/10/18	
437,000	9.125%, 07/02/13	
1,529,000	Premcor Refining Group, Inc.	
	7.500%, 06/15/15	1,
262,000	Swift Energy Company@	
	7.625%, 07/15/11	
568,000	Whiting Petroleum Corp.	
	7.250%, 05/01/12	
607,000	Williams Companies, Inc.@	
	7.750%, 06/15/31	
		-----
		9,
		-----
	FINANCIALS (0.5%)	
	E*TRADE Financial Corporation	
664,000	7.375%, 09/15/13	
472,000	7.875%, 12/01/15	
122,000	8.000%, 06/15/11	
	Host Marriott Corp.@	
961,000	7.125%, 11/01/13	
183,000	9.250%, 10/01/07	
1,048,000	Leucadia National Corp.	
	7.000%, 08/15/13	1,
83,000	Omega Healthcare Investors, Inc.	
	7.000%, 04/01/14	

Convertible and High Income Fund  
Schedule of Investments SEMIANNUAL REPORT 21

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT		VAL
-----		-----
\$ 437,000	Senior Housing Properties Trust	\$
309,000	8.625%, 01/15/12	
	7.875%, 04/15/15	
		-----
		4,
		-----
1,422,000	HEALTH CARE (0.6%)	
	Ameripath, Inc.@	
	10.500%, 04/01/13	1,
308,000	Angiotech Pharmaceuticals, Inc.*@	

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	7.750%, 04/01/14	
1,276,000	Bausch & Lomb, Inc.	
	7.125%, 08/01/28	1,
175,000	Bio-Rad Laboratories, Inc.	
	7.500%, 08/15/13	
197,000	Biovail Corp.@	
	7.875%, 04/01/10	
79,000	DaVita, Inc.	
	7.250%, 03/15/15	
61,000	Omnicare, Inc.@	
	6.875%, 12/15/15	
380,000	Psychiatric Solutions, Inc.	
	7.750%, 07/15/15	
882,000	Tenet Healthcare Corp.*@	
	9.250%, 02/01/15	
467,000	Valeant Pharmaceuticals International	
	7.000%, 12/15/11	
612,000	Vanguard Health Systems, Inc.@	
	9.000%, 10/01/14	
		-----
		5,
		-----
	INDUSTRIALS (1.1%)	
240,000	Accuride Corp.	
	8.500%, 02/01/15	
524,000	American Airlines, Inc.	
	7.250%, 02/05/09	
218,000	Armor Holdings, Inc.@	
	8.250%, 08/15/13	
	BE Aerospace, Inc.	
262,000	8.875%, 05/01/11@	
175,000	8.500%, 10/01/10	
1,398,000	CNH Global, NV	
	9.250%, 08/01/11	1,

Convertible and High Income Fund  
22 SEMIANNUAL REPORT Schedule of Investments

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT		VAL
-----		-----
\$ 131,000	Columbus McKinnon Corp.@	
	8.875%, 11/01/13	\$
1,442,000	Esterline Technologies Corp.@	
	7.750%, 06/15/13	1,
306,000	Gardner Denver, Inc.	
	8.000%, 05/01/13	
131,000	GATX Corp.	
	8.875%, 06/01/09	
513,000	General Cable Corp.@	
	9.500%, 11/15/10	

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306,000	Greenbrier Companies, Inc. 8.375%, 05/15/15
79,000	Hexcel Corporation 6.750%, 02/01/15
57,000	Interline Brands, Inc. 11.500%, 05/15/11
664,000	JLG Industries, Inc. 8.250%, 05/01/08
306,000	8.375%, 06/15/12@
380,000	Manitowoc Company, Inc. 10.500%, 08/01/12
738,000	Mobile Mini, Inc. 9.500%, 07/01/13
437,000	Monitronics International, Inc.@ 11.750%, 09/01/10
210,000	Orbital Sciences Corp. 9.000%, 07/15/11
612,000	Sequa Corp. 8.875%, 04/01/08
175,000	9.000%, 08/01/09
240,000	Terex Corp. 9.250%, 07/15/11@
166,000	7.375%, 01/15/14
197,000	Trinity Industries, Inc. 6.500%, 03/15/14
175,000	Wesco Distribution, Inc.* 7.500%, 10/15/17
175,000	Williams Scotsman International, Inc. 8.500%, 10/01/15
44,000	8.500%, 10/01/15*

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Convertible and High Income Fund  
Schedule of Investments SEMIANNUAL REPORT 23

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT		VALU
-----		-----
\$ 566,000	INFORMATION TECHNOLOGY (0.6%) Advanced Micro Devices, Inc. 7.750%, 11/01/12	\$
239,000	Arrow Electronics, Inc. 6.875%, 06/01/18	
79,000	Avago Technologies*@ 11.875%, 12/01/15	
743,000	Celestica, Inc.@ 7.625%, 07/01/13	
349,000	7.875%, 07/01/11	
175,000	Flextronics International, Ltd.@	



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		6.500%, 05/15/13	
437,000		Freescal Semiconductor, Inc.	
		7.125%, 07/15/14	
175,000	GBP	Iron Mountain, Inc.*	
		7.250%, 04/15/14	
37,000		Sanmina-SCI Corporation	
		8.125%, 03/01/16	
751,000		SunGard Data Systems, Inc.*@	
		9.125%, 08/15/13	
612,000		Telcordia Technologies*	
		10.000%, 03/15/13	
1,791,000		Xerox Corp.	
		7.625%, 06/15/13	1,
			-----
			6,
			-----
		MATERIALS (0.9%)	
		Aleris International, Inc.	
454,000		10.375%, 10/15/10	
337,000		9.000%, 11/15/14@	
437,000		Ball Corp.@	
		6.875%, 12/15/12	
87,000		Crown Holdings, Inc.*	
		7.750%, 11/15/15	
1,662,000		Equistar Chemicals, LP@	
		10.625%, 05/01/11	1,
1,123,000		Freeport-McMoRan Copper & Gold, Inc.	
		10.125%, 02/01/10	1,
79,000		Gibraltar Industries, Inc.*	
		8.000%, 12/01/15	
		Ineos Group Holdings, PLC*	
524,000	EUR	7.875%, 02/15/16	
87,000		8.500%, 02/15/16@	

Convertible and High Income Fund  
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See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT	-----	VAL	-----
\$ 524,000	IPSCO, Inc.		
	8.750%, 06/01/13		\$
786,000	Neenah Paper, Inc.@		
	7.375%, 11/15/14		
131,000	P.H. Glatfelter Company*		
	7.125%, 05/01/16		
262,000	Polyone Corp.@		
	10.625%, 05/15/10		
437,000	Sealed Air Corp.*		
	6.875%, 07/15/33		

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175,000 Texas Industries, Inc.  
 7.250%, 07/15/13  
 Union Carbide Corp.  
 424,000 7.875%, 04/01/23  
 284,000 7.500%, 06/01/25  
 323,000 Westlake Chemical Corporation  
 6.625%, 01/15/16

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 8,  
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TELECOMMUNICATION SERVICES (0.2%)  
 524,000 AT&T Corp.  
 9.750%, 11/15/31  
 61,000 Citizens Communications Company  
 9.000%, 08/15/31  
 612,000 Sprint Nextel Corporation  
 7.375%, 08/01/15  
 240,000 Stratos Global Corp.\*@  
 9.875%, 02/15/13  
 393,000 Syniverse Technologies, Inc.  
 7.750%, 08/15/13

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 1,  
 -----

UTILITIES (0.4%)  
 437,000 Centerpoint Energy, Inc.@  
 6.850%, 06/01/15  
 Edison International  
 524,000 9.875%, 04/15/11@  
 349,000 10.000%, 08/15/08  
 87,000 NRG Energy, Inc.@  
 7.375%, 02/01/16  
 437,000 Public Service Enterprise Group, Inc.  
 8.625%, 02/15/08

Convertible and High Income Fund  
 Schedule of Investments SEMIANNUAL REPORT 25

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

PRINCIPAL AMOUNT		VA
-----		-----
\$ 1,101,000	Teco Energy, Inc. 7.500%, 06/15/10	\$ 1,
612,000	TXU Corp.@ 6.500%, 11/15/24	3,
	TOTAL CORPORATE BONDS	76,

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NUMBER OF CONTRACTS		VAL
-----		
OPTIONS (1.4%)		
	CONSUMER DISCRETIONARY (0.2%)	
600	eBay, Inc.#	
	Call, 01/20/07, Strike 42.50	
130	Garmin, Ltd.#	
	Call, 01/19/08, Strike 85.00	
150	Lowe's Companies, Inc.#	
	Call, 01/19/08, Strike 70.00	
310	Office Depot, Inc.#	
	Call, 01/19/08, Strike 40.00	
215	Tiffany & Co.#	
	Call, 01/19/08, Strike 40.00	
2,900	YUM! Brands, Inc.#	
	Call, 01/20/07, Strike 50.00	1,
		-----
		2,
		-----
	CONSUMER STAPLES (0.1%)	
640	Kroger Company#	
	Call, 01/19/08, Strike 20.00	
260	PepsiCo, Inc.#	
	Call, 01/19/08, Strike 60.00	
		-----
		-----
	ENERGY (0.1%)	
95	Anadarko Petroleum Corp.#	
	Call, 01/19/08, Strike 95.00	
130	BJ Services Company#	
	Call, 01/19/08, Strike 40.00	
125	Devon Energy (Chevron) Corp.#	
	Call, 01/19/08, Strike 65.00	
100	Diamond Offshore Drilling, Inc.#	
	Call, 01/19/08, Strike 85.00	

Convertible and High Income Fund  
26 SEMIANNUAL REPORT Schedule of Investments

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

NUMBER OF CONTRACTS		VAL
-----		

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210	Nabors Industries Ltd.# Call, 01/19/08, Strike 37.50	\$	1
85	Petroleo Brasileiro, SA# Call, 01/19/08, Strike 90.00		2
140	Schlumberger, Ltd.# Call, 01/19/08, Strike 65.00		2
90	Sunoco, Inc.# Call, 01/19/08, Strike 75.00		1
200	Weatherford International, Ltd.# Call, 01/19/08, Strike 45.00		3
		-----	
			1,7
		-----	
	FINANCIALS (0.2%)		
235	Aon Corp.# Call, 01/19/08, Strike 35.00		2
600	Charles Schwab Corp.# Call, 01/19/08, Strike 15.00		2
20	Chicago Mercantile Exchange Holdings, Inc.# Call, 01/19/08, Strike 420.00		2
175	CIT Group, Inc.# Call, 01/19/08, Strike 50.00		1
280	E*TRADE Financial Corporation# Call, 01/19/08, Strike 25.00		1
70	Goldman Sachs Group, Inc.# Call, 01/19/08, Strike 160.00		1
90	Legg Mason, Inc.# Call, 01/20/07, Strike 120.00		1
70	Lehman Brothers Holdings, Inc.# Call, 01/19/08, Strike 150.00		1
175	Merrill Lynch & Company, Inc.# Call, 01/19/08, Strike 70.00		2
130	Prudential Financial, Inc.# Call, 01/19/08, Strike 75.00		1
230	State Street Corp.# Call, 01/19/08, Strike 60.00		2
		-----	
			2,2
		-----	
	HEALTH CARE (0.1%)		
200	Aetna, Inc.# Call, 01/19/08, Strike 50.00		
90	Allergan, Inc.# Call, 01/19/08, Strike 110.00		1

Convertible and High Income Fund  
Schedule of Investments SEMIANNUAL REPORT 27

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

NUMBER OF  
CONTRACTS

VAL

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

-----			-----
240	Amerisource Bergen Corp.#		
	Call, 01/19/08, Strike 47.50		\$
100	Express Scripts, Inc.#		
	Call, 01/19/08, Strike 90.00		
215	Teva Pharmaceutical Industries, Ltd.#		
	Call, 01/19/08, Strike 45.00		
1,600	UnitedHealth Group, Inc.#		
	Call, 01/19/08, Strike 70.00		
			-----
			-----
	INDUSTRIALS (0.1%)		
130	Burlington Northern Santa Fe Corp.#		
	Call, 01/19/08, Strike 80.00		
			-----
	INFORMATION TECHNOLOGY (0.4%)		
225	Agilent Technologies, Inc.#		
	Call, 01/19/08, Strike 35.00		
85	Apple Computer, Inc.#		
	Call, 01/19/08, Strike 75.00		
500	Electronic Data Systems Corp.#		
	Call, 01/19/08, Strike 25.00		
335	Hewlett-Packard Company#		
	Call, 01/19/08, Strike 30.00		
195	Intuit, Inc.#		
	Call, 01/19/08, Strike 55.00		
120	Marvell Technology Group, Ltd.#		
	Call, 01/19/08, Strike 65.00		
330	Motorola, Inc.#		
	Call, 01/19/08, Strike 22.50		
230	National Semiconductor Corp.#		
	Call, 01/19/08, Strike 25.00		
	Nokia Corp.#		
2,200	Call, 01/19/08, Strike 20.00		1,
2,200	Call, 01/19/08, Strike 17.50		1,
230	NVIDIA Corp.#		
	Call, 01/19/08, Strike 30.00		
310	Paychex, Inc.#		
	Call, 01/19/08, Strike 40.00		
90	Sandisk Corp.#		
	Call, 01/19/08, Strike 65.00		
			-----
			4,
			-----

Convertible and High Income Fund  
 28 SEMIANNUAL REPORT Schedule of Investments

See accompanying Notes to Schedule of Investments.

Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

NUMBER OF  
 CONTRACTS

VALUE

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

-----		-----
	MATERIALS (0.1%)	
250	Goldcorp, Inc.# Call, 01/19/08, Strike 27.50	\$ 317,500
343	Harmony Gold Mining Co, Ltd.# Call, 01/19/08, Strike 15.00	185,220
110	Phelps Dodge Corp.# Call, 01/19/08, Strike 72.50	233,200
		-----
		735,920
		-----
	TELECOMMUNICATION SERVICES (0.1%)	
230	America Movil S.A. de C.V.# Call, 01/19/08, Strike 30.00	257,600
130	NII Holdings, Inc.# Call, 01/19/08, Strike 55.00	204,750
		-----
		462,350
		-----
	TOTAL OPTIONS	13,500,815
		-----
	TOTAL SYNTHETIC CONVERTIBLE SECURITIES (Cost \$88,861,683)	90,014,785
		=====

NUMBER OF SHARES		VALUE
-----		-----
	CONVERTIBLE PREFERRED STOCKS (28.0%)	
	CONSUMER DISCRETIONARY (3.1%)	
1,067,300	Ford Motor Company Capital Trust II 6.500%	29,777,670
		-----
	CONSUMER STAPLES (3.0%)	
1,190,000	Albertson's, Inc. 7.250%	29,393,000
		-----
	ENERGY (3.0%)	
125,000	Amerada Hess Corp. 7.000%	15,076,250
102,700	Chesapeake Energy Corp.* 5.000%	14,211,113
		-----
		29,287,363
		-----
	FINANCIALS (16.3%)	
635,000	Chubb Corp. 7.000%	22,967,950
19,000,000	Fortis Insurance, N.V. (Assurant, Inc.)* [ ] 7.750%	24,937,500

Convertible and High Income Fund  
Schedule of Investments SEMIANNUAL REPORT 29

See accompanying Notes to Schedule of Investments.

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Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

NUMBER OF SHARES -----		VALUE -----
215,000	Hartford Financial Services Group, Inc. 7.000%	\$ 17,537,5
350,000	Lazard, Ltd. 6.625%	13,835,5
775,000	Lehman Brothers Holdings, Inc. (General Mills, Inc.) [ ] 6.250%	20,157,7
230,000	Merrill Lynch & Co., Inc. (Nuveen Investments, Inc.) [ ] 6.750%	9,913,6
500,000	MetLife, Inc. 6.375%	14,010,0
570,000	National Australia Bank, Ltd. 7.875%	26,704,5
150,000	Washington Mutual, Inc. 5.375%	8,362,5
		----- 158,426,9 -----
200,000	HEALTH CARE (1.1%) Schering-Plough Corp. 6.000%	10,236,0
3,000,000 GBP	INDUSTRIALS (1.1%) BAE Systems, PLC 7.750%	11,082,2
80,000	UTILITIES (0.4%) Southern Union Company 5.000%	4,101,6
	TOTAL CONVERTIBLE PREFERRED STOCKS (Cost \$260,885,346)	----- 272,304,8 =====
		-----
PRINCIPAL AMOUNT -----		VALUE -----
	SHORT-TERM INVESTMENT (1.5%) \$ 14,616,000 Citigroup, Inc. 4.770%, 05/01/06 (Cost \$14,616,000)	----- 14,616,0 =====

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See accompanying Notes to Schedule of Investments.

## Schedule of Investments

APRIL 30, 2006 (UNAUDITED)

NUMBER OF SHARES -----	VALUE -----
INVESTMENT OF CASH COLLATERAL FOR SECURITIES ON LOAN (18.4%) 178,847,951 Bank of New York Institutional Cash Reserve Fund current rate 4.894% (Cost \$178,847,951)	\$ 178,847,9
TOTAL INVESTMENTS (159.1%) (Cost \$1,499,642,289)	1,543,841,9 =====
PAYABLE UPON RETURN OF SECURITIES ON LOAN (-18.4%)	(178,847,9 -----
OTHER ASSETS, LESS LIABILITIES (3.7%)	35,613,1 -----
PREFERRED SHARES AT REDEMPTION VALUE INCLUDING DIVIDENDS PAYABLE (-44.4%)	(430,430,7 -----
NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS (100.0%)	\$ 970,176,3 =====

### NOTES TO SCHEDULE OF INVESTMENTS

Note: Value for Securities denominated in foreign currencies are 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 of the option contract. The option contract may be exercised at any date on or before the date shown.

\* Securities issued and sold pursuant to 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 or excepted from such registration requirements. At April 30, 2006, the market value of 144A securities that could not be exchanged to the registered form is \$120,297,556 or 12.4% of net assets.

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

# Non-income producing security.

++ Variable rate security. The interest rate shown is the rate in effect at April 30, 2006.



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[ ] Securities exchangeable or convertible into securities of an entity different than the issuer. Such entity is identified in the paranthetical.

### FOREIGN CURRENCY ABBREVIATIONS

CAD Canadian Dollar  
 EUR European Monetary Unit  
 GBP British Pound Sterling

Convertible and High Income Fund  
 Schedule of Investments SEMIANNUAL REPORT 31

See accompanying Notes to Financial Statements.

### Statement of Assets and Liabilities

APRIL 30, 2006 (UNAUDITED)

#### ASSETS

Investments, at value* (cost \$1,499,642,289)	\$ 1,543,8
Cash with custodian (interest bearing)	2,0
Restricted cash for open options (interest bearing)	1
Receivable for investments sold	5,1
Accrued interest and dividends receivables	24,8
Unrealized appreciation on interest rate swaps	10,3
Prepaid expenses	
Other assets	
Total assets	1,586,5

#### LIABILITIES

Payable upon return of securities loaned	178,8
Payable for investments purchased	6,1
Payable to investment advisor	8
Payable to financial accountant	
Payable for deferred compensation to Trustees	
Other accounts payable and accrued liabilities	1
Total liabilities	185,9

#### PREFERRED SHARES

\$25,000 liquidation value per share applicable to 17,200 shares, including dividends payable	430,4
---	-------

#### NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS

970,1

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

Common stock, no par value, unlimited shares authorized 62,339,786 shares issued and outstanding	\$ 889,1
Undistributed net investment income (loss)	(3,8)
Accumulated net realized gain (loss) on investments, foreign currency transactions and interest rate swaps	30,2
Net unrealized appreciation (depreciation) on investments, foreign currency translations and interest rate swaps	54,6

#### NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS

\$ 970,1

Net asset value per common share based on 62,339,786 shares issued

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and outstanding

\$

\* Includes \$174,814,583 of securities loaned.

Convertible and High Income Fund  
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See accompanying Notes to Financial Statements.

## Statement of Operations

SIX MONTHS ENDED APRIL 30, 2006 (UNAUDITED)

### INVESTMENT INCOME

Interest	\$	39,8
Dividends		7,4
Securities lending income		2
		47,6

Total investment income

### EXPENSES

Investment advisory fees		5,4
Financial accounting fees		
Auction agent and rating agency fees		5
Accounting fees		
Printing and mailing fees		
Audit and legal fees		
Custodian fees		
Registration fees		
Transfer agent fees		
Trustees' fees and officer compensation		
Other		
		6,4
Total expenses		6,4
Less investment advisory fees waived		(6)
		5,7
Net expenses		5,7
		41,9

NET INVESTMENT INCOME (LOSS)

### REALIZED AND UNREALIZED GAIN (LOSS) FROM INVESTMENTS, FOREIGN CURRENCY AND INTEREST RATE SWAPS

#### NET REALIZED GAIN (LOSS) FROM:

Investments		31,7
Foreign currency transactions		2
Interest rate swaps		2,3

#### CHANGE IN NET UNREALIZED APPRECIATION/DEPRECIATION ON:

Investments		5,9
Foreign currency translations		
Interest rate swaps		(

NET REALIZED AND UNREALIZED GAIN (LOSS) FROM INVESTMENTS, FOREIGN CURRENCY AND INTEREST RATE SWAPS

40,3

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NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	82,3
<hr/>	
DIVIDENDS TO PREFERRED SHAREHOLDERS FROM	
Net investment income	(7,5
Capital gains	(1,4
<hr/>	
NET INCREASE (DECREASE) IN NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS RESULTING FROM OPERATIONS	\$ 73,2
<hr/>	

Convertible and High Income Fund  
Statement of Operations SEMIANNUAL REPORT 33

See accompanying Notes to Financial Statements.

Statements of Changes in Net Assets

	Six Months Ended April 30, 2006 (unaudited)	Year October
	-----	-----
<b>OPERATIONS</b>		
Net investment income (loss)	\$ 41,923,035	\$ 91
Net realized gain (loss) from investments, foreign currency transactions and interest rate swaps	34,339,162	28
Change in net unrealized appreciation/depreciation on investments, foreign currency translations and interest rate swaps	6,045,566	(34
Distributions to preferred shareholders from		
Net investment income	(7,598,434)	(12
Capital gains	(1,453,494)	
	-----	-----
Net increase (decrease) in net assets applicable to common shareholders resulting from operations	73,255,835	73
	-----	-----
<b>DISTRIBUTIONS TO COMMON SHAREHOLDERS FROM</b>		
Net investment income	(37,838,118)	(82
Capital gains	(13,263,090)	(7
	-----	-----
Net decrease in net assets from distributions to common shareholders	(51,101,208)	(89
	-----	-----
<b>CAPITAL STOCK TRANSACTIONS</b>		
Reinvestment of distributions resulting in the issuance of common stock	7,286,067	12
	-----	-----
Net increase (decrease) in net assets from capital stock transactions	7,286,067	12
	-----	-----
<b>TOTAL INCREASE (DECREASE) IN NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS</b>	<b>29,440,694</b>	<b>(4</b>
	-----	-----
<b>NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS</b>		
Beginning of period	940,735,692	945
	-----	-----
End of period	\$ 970,176,386	\$ 940
	=====	=====
Undistributed net investment income (loss)	\$ (3,875,579)	\$

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

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

See accompanying Notes to Financial Statements.

Notes to Financial Statements (Unaudited)

### 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 convertible 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. In computing the Fund's net asset value, portfolio securities that are traded on a securities exchange in the United States, except for option securities, are valued at the last reported sale price as of the time of valuation, or lacking any current reported sale at the time of valuation, at the mean between the most recent bid and asked quotations. Each option security traded on a securities exchange in the United States is valued at the last current reported sale price as of the time of valuation if the last current reported sale price falls within the consolidated bid/ask quote for the option security. If the last current reported sale price as of the time of valuation does not fall within the consolidated bid/ask quote for the option security, the security is valued at the mid-point of the consolidated bid/ask quote for the option security. Each security traded in the over-the-counter market and quoted on the NASDAQ National Market System, is valued at the NASDAQ Official Closing Price ("NOCP"), as determined by NASDAQ, or lacking an NOCP, the last current reported sale price as of the time of valuation by NASDAQ, or lacking any current reported sale on NASDAQ at the time of valuation, at the mean between the most recent bid and asked quotations. Each over-the-counter option that is not traded through the Options Clearing Corporation is valued by the counterparty, or if the counterparty's price is not readily available then by using the Black-Scholes method. Each other security traded over-the-counter is valued at the mean between the most recent bid and asked quotations. Short-term securities with maturities of 60 days or less are valued at amortized cost, which approximates market value.

When market quotations are not readily available or when the valuation methods mentioned above are not reflective of a fair value of the security, the security is

Convertible and High Income Fund  
Notes to Financial Statements SEMIANNUAL REPORT 35

Notes to Financial Statements (Unaudited)

valued at a fair value following procedures and/or guidelines approved by the

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

Board of Trustees, which may include utilizing a systematic fair valuation model provided by an independent pricing system. The Fund may also use fair value pricing, if the value of a security it holds is, pursuant to Board of Trustees' guidelines, 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 traded. These 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 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 is employed, the value of the portfolio security used to calculate the Fund's net asset value may differ from quoted or official closing prices.

Securities that are principally traded in a foreign market are valued at the last current sale price at the time of valuation or lacking any current or reported sale, at the time of valuation, at the mean between the most recent bid and asked quotations as of the close of the appropriate exchange or other designated time. Trading in securities on European and Far Eastern securities exchanges and over-the-counter markets is normally completed at various times before the close of business on each day on which the New York Stock Exchange ("NYSE") is open. Trading of these 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 net asset value is not calculated. As stated above, if the market prices are not readily available or are not reflective of the fair value of the security, the security will be priced at a fair value following procedures approved by the Board of Trustees. In light of the judgment involved in fair value decisions, there can be no assurance that a fair value assigned to a particular security is accurate.

INVESTMENT TRANSACTIONS AND INVESTMENT INCOME. Short-term investment transactions are recorded on a trade date basis. Long-term investment transactions are recorded on a trade date plus one basis, except for fiscal quarter ends, which are recorded on trade date. 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.

Convertible and High Income Fund  
36 SEMIANNUAL REPORT Notes to Financial Statements

### Notes to Financial Statements (Unaudited)

FOREIGN CURRENCY TRANSLATION. Except for securities of foreign issuers valued by a pricing service, values of investments and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using a rate quoted by any 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

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

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 period end.

OPTION TRANSACTIONS. For hedging and investment purposes, the Fund may purchase or write (sell) put and call options. One of the risks associated with purchasing an option is that the Fund pays a premium whether or not the option is exercised. Additionally, the Fund bears the risk of loss of premium and change in market value should the counterparty not perform under the contract. Put and call options purchased are accounted for in the same manner as portfolio securities. The cost of securities acquired through the exercise of purchased call options is increased by premiums paid. The proceeds from securities sold through the exercise of purchased put options are decreased by the premiums paid.

When the Fund writes an option, an amount equal to the premium received by the Fund is recorded as a liability and is subsequently adjusted to the current value of the option written. Premiums received from writing options that expire unexercised are treated by the Fund on the expiration date as realized gains from written options. The difference between the premium and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or, if the premium is less than the amount paid for the closing purchase transaction, as a realized loss. If a written call option is exercised, the premium is added to the proceeds from the sale of the underlying security or currency in determining whether the Fund has realized a gain or loss. If a written put option

Convertible and High Income Fund  
Notes to Financial Statements SEMIANNUAL REPORT 37

### Notes to Financial Statements (Unaudited)

is exercised, the premium reduces the cost basis of the securities purchased by the Fund. The Fund as writer of an option bears the market risk of an unfavorable change in the price of the security underlying the written option.

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 Internal Revenue Code of 1986, as amended (the "Code") 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 fixed income securities. Financial records are not adjusted for temporary differences.

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

INDEMNIFICATIONS. Under the Fund's organizational documents, its officers and trustees are indemnified 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 enters 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. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

### 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

Convertible and High Income Fund  
38 SEMIANNUAL REPORT Notes to Financial Statements

### Notes to Financial Statements (Unaudited)

contractually agreed to waive a portion of its management fee at the annual rate of 0.10% of the average weekly managed assets of the Fund for the first five full years of the Fund's operation (through May 31, 2008) and to waive a declining amount for an additional three years (0.07% of the average weekly managed assets in 2009, 0.05% in 2010, and 0.03% in 2011).

Calamos Advisors receives a fee 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 financial accounting services (for purposes of this calculation "combined assets" means the total of the average daily net assets of Calamos Investment Trust and Calamos Advisors Trust and the average weekly managed assets of Calamos Convertible and High Income Fund, Calamos Convertible Opportunities and Income Fund, Calamos Strategic Total Return Fund and Calamos Global Total Return Fund). Financial accounting services include, but are not limited to, the following: managing expenses and expense payment processing; monitoring the calculation of expense accrual amounts; calculating, tracking, and reporting tax adjustments on all assets and liabilities and monitoring trustee deferred compensation plan accruals and valuations. The Fund will pay its pro rata share of the financial accounting service fee payable to Calamos Advisors based on the Fund's relative portion of combined assets.

Effective August 1, 2005, the Fund began reimbursing the advisor for a portion of compensation paid to the Fund's Chief Compliance Officer. This compensation is reported as part of "Trustees' fees and officer compensation" expenses on the Statement of Operations.

Certain officers and trustees of the Fund are also officers and directors of Calamos Financial Services LLC ("CFS") and Calamos Advisors. All officers and affiliated Trustees serve without direct compensation from the Fund, except for the Chief Compliance Officer as described above.

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) of CFS or Calamos Advisors and has elected to participate in the Plan (a "participating trustee") may defer receipt of all or a portion of his compensation from the Fund. The deferred compensation payable to the participating trustee is credited

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to the trustee's deferral account as of the business day such compensation would have been paid to the participating trustee. 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

Convertible and High Income Fund  
Notes to Financial Statements SEMIANNUAL REPORT 39

Notes to Financial Statements (Unaudited)

in the value of the measuring shares. Deferred compensation of \$26,801 is included in "Other assets" on the Statement of Assets and Liabilities at April 30, 2006. 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, 2006.

NOTE 3 - INVESTMENTS

Purchases and sales of investments, other than short-term obligations, for the six months ended April 30, 2006 were as follows:

Purchases	\$ 230,473,987
Proceeds from sales	245,588,696

The cost basis of investments for Federal income tax purposes at April 30, 2006 was as follows:

Cost basis of investments	\$ 1,509,475,601
	-----
Gross unrealized appreciation	68,430,109
Gross unrealized depreciation	(34,063,799)
	-----
Net unrealized appreciation (depreciation)	\$ 34,366,310
	=====

NOTE 4 - INCOME TAXES

Distributions during the fiscal year ended October 31, 2005 were characterized for Federal income tax purposes as follows:

DISTRIBUTIONS PAID FROM:

Ordinary income	\$ 94,726,155
Long-Term capital gains	7,532,898



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## Notes to Financial Statements (Unaudited)

As of October 31, 2005, the components of accumulated earnings on a tax basis were as follows:

Undistributed ordinary income	\$ 11,346,482
Undistributed capital gains	4,913,401
	-----
Total undistributed earnings	16,259,883
Accumulated capital and other losses	--
Net unrealized gains	42,945,702
	-----
Total accumulated earnings	59,205,585
Other	(316,358)
Paid-in capital	881,846,465
	-----
Net assets applicable to common shareholders	\$ 940,735,692
	-----

For the tax year ended October 31, 2005, the Fund utilized capital losses of \$5,148,747. As of October 31, 2005, the Fund had no capital loss carryforwards.

### NOTE 5 - COMMON STOCK

There are unlimited common shares of beneficial interest authorized and 62,339,786 shares outstanding at April 30, 2006. Calamos Advisors owned 17,200 of the outstanding shares at April 30, 2006. Transactions in common shares were as follows:

	FOR THE SIX MONTHS ENDED APRIL 30, 2006	FOR THE YEAR ENDED OCTOBER 31, 2005
	-----	-----
Beginning shares	61,867,557	61,091,942
Shares sold	--	--
Shares issued through reinvestment of distributions	472,229	775,615
	-----	-----
Ending shares	62,339,786	61,867,557
	=====	=====

### NOTE 6 - FORWARD FOREIGN CURRENCY CONTRACTS

The Fund may engage in portfolio hedging with respect to changes in currency exchange rates by entering into forward 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

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### Notes to Financial Statements (Unaudited)

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 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 foreign currency contracts at April 30, 2006.

#### NOTE 7 - SYNTHETIC CONVERTIBLE SECURITIES

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") and the right to acquire equity securities ("convertible component"). The fixed-income component is achieved by investing in non-convertible, 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 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 purchase synthetic convertible instruments 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. Different companies may issue the fixed-income and convertible components, which may be purchased separately and at different times.

#### NOTE 8 - 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 17,200 shares of Preferred Shares outstanding consist of six series, 3,000 shares of M, 3,000 shares of TU, 3,000 shares of W, 3,000 shares of TH, 3,000 shares

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### Notes to Financial Statements (Unaudited)

of F, and 2,200 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 or twenty-eight days based on the results of an auction. Dividend rates ranged from 3.60% to 5.00% for the six months ended April 30, 2006. Under the 1940 Act, the Fund may not declare dividends or make other distributions on shares of common stock or purchase any such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the

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outstanding Preferred Shares would be less than 200%.

The Preferred Shares are redeemable at the Fund's option, in whole or in part, on any dividend payment date at \$25,000 per share plus any accumulated but unpaid dividends. 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 stock (one vote per share) and will vote together with holders of shares of common stock as a single class except on matters affecting only the holders of Preferred Shares or the holders of common shares.

### NOTE 9 - INTEREST RATE TRANSACTIONS

The Fund may enter into interest rate swap or cap transactions to attempt to protect itself from increasing dividend or interest expense on its leverage resulting from increasing short-term interest rates. A decline in interest rates may result in a decline in the value of the swap or cap, which may result in a decline in the Fund's net asset value. In addition, if the counterparty to an interest rate swap or cap defaults, the Fund would not be able to use the anticipated receipts under the swap or cap to offset the dividend or interest payments on the Fund's leverage. At the time an interest rate swap or cap reaches its scheduled termination, there is a risk that the Fund would not be able to obtain a replacement transaction or that the terms of the replacement would not be as favorable as on the expiring transaction. In addition, if the Fund is required to terminate any swap or cap early due to the Fund failing to maintain a required 200% asset coverage of the liquidation value of the outstanding Preferred Shares or the Fund loses its credit rating on its Preferred Shares, then the Fund could be required to make a termination payment, in addition to redeeming all or some of the Preferred Shares. Net unrealized gains

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### Notes to Financial Statements (Unaudited)

are reported as an asset and net unrealized losses are reported as a liability on the Statement of Assets and Liabilities. The change in the value of the swaps, including periodic amounts of interest to be paid or received on swaps is reported as unrealized gains or losses in the Statement of Operations. A realized gain or loss is recorded upon payment or termination of swap agreements. Details of the swap agreements outstanding as April 30, 2006 were as follows:

COUNTERPARTY	TERMINATION DATE	NOTIONAL AMOUNT (000)	FIXED RATE (FUND PAYS)	FLOATING RATE (FUND RECEIVES)	UNREALIZED APPRECIATION (DEPRECIATION)
-----	-----	-----	-----	-----	-----
Citibank NA	October 27, 2006	\$ 100,000	2.80%	1month LIBOR	\$ 1,163,990
Citibank NA	October 27, 2007	200,000	3.27%	1month LIBOR	5,595,198
Citibank NA	October 27, 2008	100,000	3.65%	1month LIBOR	3,629,240
					-----
					\$ 10,388,428

=====

NOTE 10 - SECURITIES LENDING

During the six months ended April 30, 2006, the Fund loaned certain of their securities to broker-dealers and banks. Any such loan must be continuously secured by collateral in cash or cash equivalents maintained on a current basis in an amount at least equal to the market 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 receives an additional return that may be in the form of a fixed fee or a percentage of the 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 the loan and obtain the securities loaned at any time on notice of not more than five business days. 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 rights thereto, (b) possible subnormal levels of income and lack of access to income during this period, and (c) the expenses of enforcing its rights. In an effort to reduce these risks, Calamos Advisors and the security lending agent will monitor the creditworthiness of the firms to which the Fund lends securities. At April 30, 2006, the Fund had securities valued at \$174,814,583 that were on loan to broker-dealers and banks and \$178,847,951 in cash or cash equivalent collateral.

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Notes to Financial Statements (Unaudited)

NOTE 11 - SUBSEQUENT EVENT

The Fund completed a secondary public offering on June 20, 2006. The Fund issued 3,900,000 common shares of beneficial interest ("common shares") at a public offering price of \$16.10 per share, totaling approximately \$62.8 million. The Fund has granted the underwriters the right to purchase up to an additional 570,000 common shares at the public offering price, less the sales load, within 30 days of June 15, 2006 to cover over-allotments.

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 Notes to Financial Statements SEMIANNUAL REPORT 45

Financial Highlights

SELECTED DATA FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD WERE AS FOLLOWS:

Six Months			May 28,
Ended			through
April 30,	For the Year Ended		October
(unaudited)	October 31,		October

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	2006	2005	2004	2003
Net asset value, beginning of period	\$ 15.21	\$ 15.47	\$ 14.80	\$ 14.80
Income from investment operations:				
Net investment income (loss)	0.68	1.49	1.60	0.00
Net realized and unrealized gain (loss) from investments, foreign currency and interest rate swaps	0.63	(0.09)	0.63	0.00
Dividends to preferred shareholders from:				
Net investment income (common share equivalent basis)	(0.12)	(0.20)	(0.10)	(0.00)
Capital gains (common share equivalent basis)	(0.02)	--		
Total from investment operations	1.17	1.20	2.13	0.00
Less dividends to common shareholders from:				
Net investment income	(0.61)	(1.34)	(1.46)	(0.00)
Capital gains	(0.21)	(0.12)	--	
Capital charge resulting from issuance of common and preferred shares	--	--	--	(0.00)
Net asset value, end of period	\$ 15.56	\$ 15.21	\$ 15.47	\$ 14.80
Market value, end of period	\$ 16.02	\$ 15.52	\$ 16.74	\$ 16.74
Total investment return based on (b):				
Net asset value	7.88%	7.99%	14.91%	5.00%
Market value	8.85%	1.83%	15.02%	9.00%
Ratios and supplemental data:				
Net assets applicable to common shareholders, end of period (000's omitted)	\$970,176	\$940,736	\$ 945,037	\$ 891,100
Preferred shares, at redemption value (\$25,000 per share liquidation preference) (000's omitted)	\$430,000	\$430,000	\$ 430,000	\$ 430,000
Ratios to average net assets applicable to common shareholders:				
Net expenses (c) (d)	1.21%	1.23%	1.25%	1.00%
Gross expenses prior to waiver of expenses by the advisor (c) (d)	1.36%	1.38%	1.40%	1.00%
Net investment income (loss) (c) (d)	8.86%	9.55%	10.56%	7.00%
Preferred share dividends (c)	1.61%	1.30%	0.65%	0.00%
Net investment income (loss), net of preferred share dividends (c)	7.25%	8.25%	9.91%	7.00%
Portfolio turnover rate	17%	55%	27%	



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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 for the year ended October 31, 2005 and the financial highlights for each of the two years then ended October 31, 2005 and for the period from May 28, 2003 (commencement of operations) through October 31, 2003; and in our report dated December 16, 2005, we expressed an unqualified opinion on such statement of changes in net assets and financial highlights.

/s/ (DELOITTE & TOUCHE LLP)  
-----

Chicago, Illinois  
June 21, 2006

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Report of Independent Registered Public Accounting Firm SEMIANNUAL REPORT 47

## Other Information (Unaudited)

RESULTS OF SHAREHOLDER MEETING. The Annual Meeting of Shareholders of the Fund was held on March 30, 2006 where shareholders voted on the elections of trustees. With regard to the election, each trustee standing for election was elected by the shareholders as follows:

TRUSTEES -----	# OF COMMON AND PREFERRED SHARES -----	
	FOR -----	WITHHELD -----
Joe F. Hanauer	60,209,710	477,803
John E. Neal	60,267,281	420,232
David D. Tripple	60,296,559	390,954

The other trustees of the Fund whose terms did not expire in 2006 are John P. Calamos, Sr., Nick P. Calamos, Weston W. Marsh, William R. Rybak, and Stephen B. Timbers.

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## 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.

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### 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 stock or debentures) or borrow money to "leverage" their investment positions.
- NO MINIMUM INVESTMENT REQUIREMENTS

Convertible and High Income Fund  
About Closed-End Funds SEMIANNUAL REPORT 49

### Leverage

#### USING LEVERAGE TO ENHANCE TOTAL RETURN

Closed-end funds can use leverage which, utilizes borrowed money to increase the return on invested capital. The Fund will invest the borrowed assets into securities, which we believe will provide a greater total return to investors than the cost of the borrowing.

#### HIGHLIGHTS ON LEVERAGE

- Leveraging the portfolio allows the investment team to potentially enhance the income and total returns of the Fund.
- In a rising-rate environment, the cost of leverage often increases; however, the investment team has locked in the cost of leverage for a longer term. In leveraged closed-end funds that invest in interest-rate sensitive securities (high-quality traditional fixed income), rising rates can hurt a fund in two ways: first, the cost of leverage increases; second, the value of securities drops.
- This portfolio does not have notable sensitivity to rising interest rates. Much of the cost of leverage has been locked in, and the portfolio seeks to invest in securities that should be more economically sensitive and less interest rate sensitive.

#### MANAGING THE INTEREST RATE RISK OF LEVERAGE

In general, leverage can expose a closed-end fund to the risk of fluctuations in short-term interest rates. As we discussed in the Investment Team Interview, Calamos Investments has taken steps to mitigate some of this risk to our shareholders. Specifically, we hedged the Fund's preferred shares (used these



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shares as principal) to enter into interest rate swap agreements. In its simplest form, an interest rate swap involves two parties agreeing to exchange or "swap" one set of cash flows for another set. In essence, the agreement allows a party that desires to avoid a variable rate (Calamos) to pay a fixed rate to a party that desires variability.

### THE DEALER MARKET FOR INTEREST RATE SWAPS

[FLOW CHART]

Under these agreements, the Fund pays a potentially higher rate for borrowing initially, but that rate is fixed for a period of three to five years, thereby potentially reducing the interest costs that the Fund would otherwise pay over the period based on a floating or variable rate. To learn more about the use of leverage and interest rate swaps, visit our special report titled "Using Leverage and Interest Rate Swaps in Today's Market" at [www.calamos.com/closedend.aspx](http://www.calamos.com/closedend.aspx).

Convertible and High Income Fund  
50 SEMIANNUAL REPORT Leverage

### 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.

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Level Rate Distribution Policy SEMIANNUAL REPORT 51

### 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

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Fund.

### 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, at 800-432-8224 or visit us on the web at [www.calamos.com/chy.aspx](http://www.calamos.com/chy.aspx). 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.

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### Calamos Closed-End Funds

#### INTELLIGENT ASSET ALLOCATION IN FOUR 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 help 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 4/30/06 FUND PROFILE

#### CALAMOS CONVERTIBLE OPPORTUNITIES AND INCOME FUND (CHI)

[PIE CHART]

CONVERTIBLE SECURITIES	46.3%
HIGH YIELD/CORPORATE BONDS	53.5%
SHORT-TERM INVESTMENTS	0.2%

#### PROVIDING ENHANCED FIXED INCOME

**OBJECTIVE:** The Fund seeks total return through a combination of capital

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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)

[PIE CHART]

CONVERTIBLE SECURITIES	40.3%
HIGH YIELD/CORPORATE BONDS	58.5%
SHORT-TERM INVESTMENTS	1.2%

PROVIDING ENHANCED FIXED INCOME

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 STRATEGIC TOTAL RETURN FUND (CSQ)

[PIE CHART]

COMMON STOCK	42.3%
CONVERTIBLE SECURITIES	30.8%
HIGH YIELD/CORPORATE BONDS	25.7%
SHORT-TERM INVESTMENTS	1.2%

PROVIDING DEFENSIVE EQUITY

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 high-yield securities.

CALAMOS GLOBAL TOTAL RETURN FUND (CGO)

[PIE CHART]

COMMON STOCK	54.0%
CONVERTIBLE SECURITIES	17.4%
HIGH YIELD/CORPORATE BONDS	28.3%
SHORT-TERM INVESTMENTS	0.3%

PROVIDING DEFENSIVE GLOBAL EQUITY

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 high-yield securities.

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Calamos Closed-End Funds SEMIANNUAL REPORT 53

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[CALAMOS INVESTMENTS LOGO]

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800.582.6959 | [www.calamos.com](http://www.calamos.com)

A description of the Calamos Proxy Voting Policies and Procedures is available free of charge upon request by calling (800) 582-6959, by visiting the Calamos website at [www.calamos.com](http://www.calamos.com), by writing Calamos at: Calamos Investments, Attn: Client Services, 2020 Calamos Court, Naperville, IL 60563 and by visiting the SEC's Web site at [www.sec.gov](http://www.sec.gov). The Fund's proxy voting record for the twelve month period ended June 30, 2005, is also available free of charge upon request by calling or writing Calamos Investments and by visiting the SEC Web site at [www.sec.gov](http://www.sec.gov).

The Fund files a complete list of its portfolio holdings with the SEC for the first and third quarters each fiscal year on Form N-Q. The Form N-Q is available free of charge, upon request, by calling or writing Calamos Investments or by visiting the SEC website. You may also review or, for a fee, copy the forms at the SEC's Public Reference Room in Washington, D.C. (202) 942-8090.

FOR 24 HOUR SHAREHOLDER ASSISTANCE  
800.432.8224

TO OBTAIN INFORMATION  
800.582.6959

VISIT OUR WEB SITE  
[www.calamos.com](http://www.calamos.com)

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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.

PERIOD	(A) TOTAL NUMBER OF SHARES (OR UNITS) PURCHAS ED	(B) AVERAGE PRICE PAID PER SHARE (OR UNIT)	(C) TOTAL NUMBER OF SHARES (OR UNITS) PURCHASED AS PART OF PUBLICLY ANNOUNCED PLANS OR PROGRAMS	(D) MAXIMUM NUMBER (OR APPROXIMATE DOLLAR VALUE) OF SHARES (OR UNITS) THAT MAY YET BE PURCHASED UNDER THE PLANS OR PROGRAMS
November 1 to November 30	N/A	N/A	N/A	N/A
December 1 to December 31	N/A	N/A	N/A	N/A
January 1 to January 31	N/A	N/A	N/A	N/A
February 1 to February 28	N/A	N/A	N/A	N/A
March 1 to March 31	N/A	N/A	N/A	N/A
April 1 to April 30	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A

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

No material changes.

ITEM 11. CONTROLS AND PROCEDURES.

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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.  
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Name: John P. Calamos, Sr.  
Title: Principal Executive Officer  
Date: June 29, 2006

By: /s/ Patrick H. Dudasik  
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Name: Patrick H. Dudasik  
Title: Principal Financial Officer  
Date: June 29, 2006

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.  
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Name: John P. Calamos, Sr.  
Title: Principal Executive Officer  
Date: June 29, 2006

By: /s/ Patrick H. Dudasik  
-----

Name: Patrick H. Dudasik  
Title: Principal Financial Officer  
Date: June 29, 2006

