Federated Kaufmann Fund

Product Highlights
- Pursues capital appreciation.
- Invests primarily in reasonably priced stocks of mid- and small-cap companies that exhibit positive growth characteristics.
- Selects stocks through an intensive, bottom-up process that includes frequent conversations with key executives and employees, regular on-site visits, industry analysis and thorough fundamental research.
- Managed by an experienced growth team, comprised of portfolio managers, analysts and industry-dedicated specialists.
- Features a performance history of more than 30 years.

Morningstar Category
Mid-Cap Growth

Benchmark
Russell Midcap® Growth Index

Key Investment Team
Hans Utsch
Jonathan Art
Mark Baknicht
Tom Brakel, M.D.
John Ettinger, CFA
Barbara Miller
Stephen DeNichilo, CFA
Vivian Wohl
Steven Abrahamson

Fund Statistics
Portfolio Assets $6.8 b
Number of Securities 148
Dividends Paid Annually
Portfolio Beta 1.05
Weighted Median P/E (NTM) 34.6x
Weighted Median P/E (LTM) 55.0x
Weighted Median Market Cap $8.3 b
Weighted Median Price/Book 7.0x

Top Holdings (%)
- Argenx SE 3.7
- Veeva Systems, Inc. 2.9
- ServiceNow, Inc. 2.3
- Workday, Inc. 1.9
- Galapagos NV - ADR 1.7
- Corcept Therapeutics, Inc. 1.6
- HEICO Corp. 1.6
- Roper Technologies, Inc. 1.6
- Splunk, Inc. 1.5
- uniQure N.V. 1.4

Overall Morningstar Rating™

Rating is based on risk adjusted total return for R Shares, A Shares, and Institutional Shares out of 539 Funds in Mid-Cap Growth Category. The overall rating is derived from a weighted average of the fund's three-, five-, and ten-year average annual returns, as applicable.

Sector Weightings (%)
The index position were small hedges we invested in given macro uncertainty.

Average Annual Total Returns (%)
Performance shown is before tax.

Calendar Year Total Returns (%)
The fund’s Institutional Shares commenced operations on December 29, 2016. For the period prior to the commencement of operations of the Institutional Shares, the performance information shown is for R Shares adjusted to remove any voluntary waiver of fund expenses related to the fund’s R Shares that occurred during the period prior to the commencement of the fund’s Institutional Shares.

The fund is the successor to Kaufmann Fund, Inc. (Kaufmann Fund) pursuant to a reorganization that took place on April 23, 2001. Prior to that date, the fund had no investment operations. Accordingly, for periods prior to that date, the performance information is that of Kaufmann Fund, adjusted to reflect the maximum sales charge or contingent deferred sales charge and expenses applicable to the funds A, B, and C Shares. For R Shares, the performance information provided is historical information of Kaufmann Fund.

The B Shares of this Federated fund are closed to new investors and new investments from existing shareholders (excluding reinvestment of dividends and capital gains and exchanges from B Shares of other Federated Funds).

**A Word About Risk**

Mutual funds are subject to risks and fluctuate in value.

Small company stocks may be less liquid and subject to greater price volatility than larger capitalization stocks.

International investing involves special risks including currency risk, increased volatility, political risks, and differences in auditing and other financial standards.

Investing in IPOs involves special risks such as limited liquidity and increased volatility.

**Definitions**

The holdings percentages are based on net assets at the close of business on 6/30/19 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes. Because this is a managed portfolio, the investment mix will change. Total return represents the change in value of an investment after reinvesting all income and capital gains. Total return would have been lower in the absence of temporary expense waivers or reimbursements.

Growth Over Time performance is for the fund’s R Shares. The fund offers additional share classes whose performance will vary due to differences in charges and expenses.

Beta analyzes the market risk of a fund by showing how responsive the fund is to the market. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse in down markets. Usually the higher betas represent riskier investments.

Weighted Median P/E (LTM - Latest Twelve Months) is a ratio comparing share price to earnings per share using data from the previous twelve months.

Weighted Median P/E (NTM - Next Twelve Months) in calculating this, individual holdings with values greater than 60 are capped at 60 in accordance with Morningstar’s methodology for calculating “Weighted Median P/E.”

Weighted Median Market Capitalization is the calculation represented by the median market capitalization of the stocks in the portfolio, weighted by the amount of each stock.

Weighted Median Price/Book is a ratio comparing share price to book value or assets minus liabilities.

Russell Midcap® Growth Index measures the performance of the mid-cap growth segment of the U.S. equity universe. It includes those Russell Midcap® Index companies with higher price-to-book ratios and higher forecasted growth values.

The Russell Midcap® Growth Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap growth market. The Index is completely recomposed annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap growth market.

Indexes are unmanaged and cannot be invested in directly.

**Investors should carefully consider the fund’s investment objectives, risk, charges and expenses before investing. To obtain a summary prospectus or prospectus containing this and other information, contact us or visit FederatedInVESTors.com. Please carefully read the summary prospectus or the prospectus before investing.**

Past performance is no guarantee of future results.

**Ratings and Rating Agencies**

Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings over the past three years. If the fund is less than three years old, the category is based on the life of the fund. ©2019 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

The Morningstar Rating™ for funds, or “star rating”, is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history.

Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product’s monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics.

The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take sales charges into account. Federated Kaufmann Fund was rated against the following numbers of U.S.-domestic Mid-Cap Growth funds over the following time periods. Ratings are for A, R and Institutional Shares; other classes may have different performance characteristics. For the 3-, 5- and 10-year periods ended 6/30/19, the funds A Shares received 5, 4 and 3 stars, the fund’s R Shares received 4, 3 and 2 stars and the fund’s Institutional Shares received 5, 5 and 3 stars, and was rated among 539, 484 and 367 funds, respectively. Past performance is no guarantee of future results.