

Federated Kaufmann Fund

Nasdaq Symbol — IS: KAUIX | A: KAUAIX | B: KAUBX | C: KAUCX | R: KAUFX

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 Bauknight
Tom Brakel, M.D.
John Ettinger, CFA
Barbara Miller
Stephen DeNichilo, CFA
Vivian Wohl
Steven Abrahamson

Fund Statistics

Portfolio Assets	\$5.5 b
Number of Securities	154
Dividends	Paid Annually
Portfolio Beta (Source: 3 Year monthly linked Factset Calculated beta vs. fund benchmark)	1.11
Weighted Median P/E (NTM)	25.4x
Weighted Median P/E (LTM)	41.8x
Weighted Median Market Cap	\$7.0 b
Weighted Median Price/Book	5.9x

Top Holdings (%)

Veeva Systems, Inc.	3.2
Argenx SE	3.1
Corcept Therapeutics, Inc.	2.7
ServiceNow, Inc.	2.4
Workday, Inc.	2.1
Splunk, Inc.	2.0
Galapagos NV - ADR	1.5
Illumina, Inc.	1.5
Roper Technologies, Inc.	1.4
Tyler Technologies, Inc.	1.3

Overall Morningstar Rating™



Rating is based on risk adjusted total return for R Shares, A Shares, and Institutional Shares out of 542 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 (%)



Average Annual Total Returns (%)

Performance shown is before tax.

NAV	Performance Inception	Cumulative 3 Month	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception	Expense Ratio*	
									Before Waivers	After Waivers
IS	1/1/06	-14.54	3.94	11.25	9.75	13.26	-	-	1.56	1.53
A	2/21/86	-14.56	3.63	10.91	9.56	13.18	8.74	11.80	2.02	1.98
B	2/21/86	-14.71	3.08	10.34	8.96	12.70	8.41	11.66	2.56	2.53
C	2/21/86	-14.74	3.08	10.28	8.98	12.59	8.34	11.63	2.56	2.53
R	2/21/86	-14.66	3.63	10.89	9.54	13.19	8.74	11.94	2.25	1.98
Benchmark		-15.99	-4.75	8.59	7.42	15.12	8.98	-	-	-

Maximum Offering Price

A	2/21/86	-19.26	-2.07	8.84	8.32	12.55	8.33	11.61	2.02	1.98	
B	2/21/86	-18.67	-1.70	9.37	8.76	12.70	8.41	11.66	2.56	2.53	
C	2/21/86	-15.46	2.21	10.28	8.98	12.59	8.34	11.63	2.56	2.53	
R	2/21/86	-14.83	3.42	10.82	9.50	13.17	8.73	11.94	2.25	1.98	

Calendar Year Total Returns (%)

R Shares/NAV

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
NAV	3.63	27.68	3.07	5.96	9.14	40.54	17.30	-13.78	18.75	29.68
Benchmark	-4.75	25.27	7.33	-0.20	11.90	35.74	15.81	-1.65	26.38	46.29

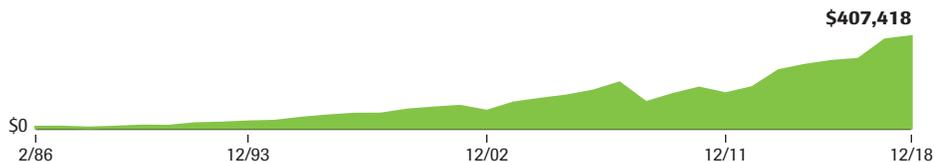
Performance quoted represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than what is stated. To view performance current to the most recent month-end, and for after-tax returns, contact us or visit FederatedInvestors.com. Maximum Offering Price figures reflect the maximum sales charge of 5.5% for A Shares, and the maximum contingent deferred sales charges of 5.5% for B Shares, 1% for C Shares and 0.2% redemption fee for R Shares. See the prospectus for other fees and expenses that apply to a continued investment in the fund.

* The fund's expense ratio is from the most recent prospectus. Pursuant to a settlement agreement, the expense ratio reflects a voluntary reduction of the management fee, from its stated, gross management fee, continuing until June 30, 2022. Additionally, the expense ratio reflects voluntary fee waivers and/or expense reimbursements determined by the fund's Advisor and/or its affiliates. The voluntary waivers and/or expense reimbursements are in effect up to but not including the later of 1/1/20 or the date of the fund's next effective prospectus.

Federated Kaufmann Fund

Growth Over Time

If you had invested \$10,000 in R Shares on 2/28/86 (month end of the fund's performance inception) and reinvested all distributions, here's how your account would have grown by 12/31/18.



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 fund's 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 large 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 12/31/18 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 reconstituted 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, risks, 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.-domiciled 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 12/31/18, the fund's A Shares received 4, 5 and 3 stars, the fund's R Shares received 4, 5 and 3 stars and the fund's Institutional Shares received 4, 5 and 3 stars, and was rated among 542, 489 and 341 funds, respectively. Past performance is no guarantee of future results.