

# Federated Kaufmann Large Cap Fund

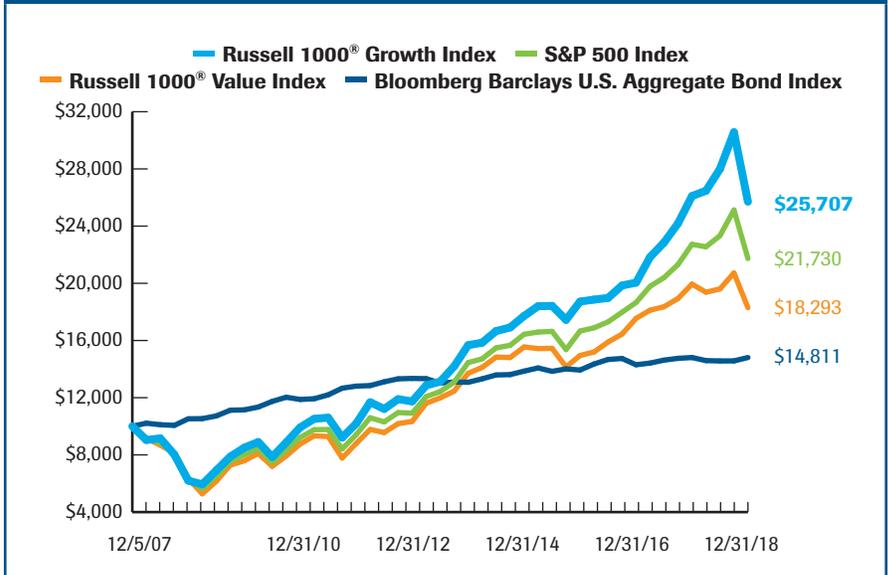
## Targeting Exceptional Growth

A concentrated fund of high-quality growth companies can be a potentially valuable addition to most portfolios at any time. Federated Kaufmann Large Cap Fund's intensely researched, bottom-up investment approach seeks to identify exceptional companies with excellent long-term prospects—an approach that has generated consistently competitive performance over time.

### Why Invest for Growth?

- The case for growth investing is simple. It provides the opportunity to benefit from the innovation of the world's most successful companies. Growth funds seek to provide capital appreciation—the ability to grow assets over a long period.
- Investors with virtually any long-term financial goal, from a child's education to retirement savings to building wealth and outpacing inflation, may want to allocate at least some portion of their portfolio for growth.

### Growth Investing Has Outperformed

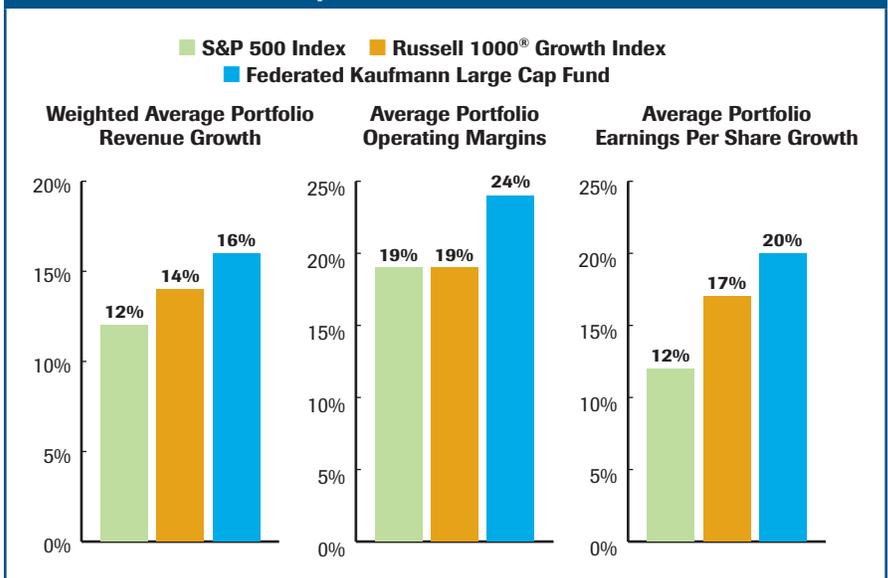


Past performance is no guarantee of future results. Results for other time periods will vary.  
 Source: Morningstar, Inc., 12/5/07-12/31/18.  
 Indexes are unmanaged and cannot be invested in directly.

### Why Federated Kaufmann Large Cap Fund for Growth?

- The ability to identify growth companies with enduring business models and put them to work for investors has distinguished the Federated Kaufmann team for more than 30 years.
- Fundamental, company-by-company research—including more than 1,500 company visits each year—is at the heart of Federated Kaufmann Large Cap Fund's stock-picking approach.
- While diversified among sectors and industries, the fund provides the potential for absolute capital appreciation.

### The Fund Invests in Companies Built for Growth



Past performance is no guarantee of future results.  
 Source: Strategas, averages as of 12/31/18.  
 Diversification does not assure a profit nor protect against loss.

## Why Growth in a Rising-Rate Environment?

- During Federal Reserve rate hikes over the past 25 years, stocks in offensive-leaning, growth-oriented sectors have outperformed. More than 50% of Federated Kaufmann Large Cap Fund is invested in the top two growth sectors.\*
- Nonetheless, the Federated Kaufmann approach goes well beyond sector bets, seeking to uncover companies in any sector that the team believes possess expanding growth catalyst and unique sustainable competitive advantages.

## Growth Sectors Show Strong Performance as Rates Rise

### Median S&P 500 Sector Return Rank (Relative, Equal Weight)

Sectors	6 Month	Federated Kaufmann Large Cap Fund % of Portfolio*
Technology	1	29.3%
Health Care	2	23.6%
Energy	3	0.0%
Financials	4	5.9%
Materials	5	2.9%
Industrials	6	9.5%
Consumer Staples	7	1.5%
Communication Services	8	6.1%
Utilities	9	0.0%
Consumer Discretionary	10	14.0%

Past performance is no guarantee of future results.

Source: ISI, 12/31/18.

The time period shown is for the S&P 500 over the last 25 years and is the six-month period post initial Fed rate-rising cycles.

\* Excludes cash position of 3.3% and real estate position of 3.9%.

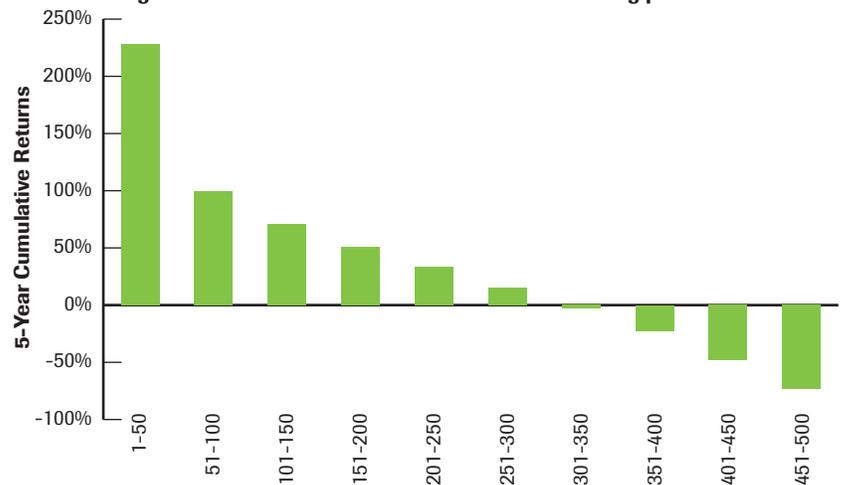
Portfolio composition percentages are based on net assets at the close of business on 12/31/18 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes.

## What's the Advantage of a Concentrated Portfolio?

- Over the past five years, most returns from the S&P 500 have been generated by stocks of only 50 companies.
- The success of any portfolio focused on a fraction of its investable universe depends on the quality of its security selection.
- Federated Kaufmann Large Cap Fund delivers a concentrated portfolio of approximately 50 stocks selected for their potential to significantly outperform average broad market returns.

## The Power of a Concentrated Portfolio: Law of Diminishing Returns

### Segments of the S&P 500 Index ranked in descending performance order



Past performance is no guarantee of future results.

Source: FactSet, as of 12/31/18.

This chart is for illustrative purposes only and is not representative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

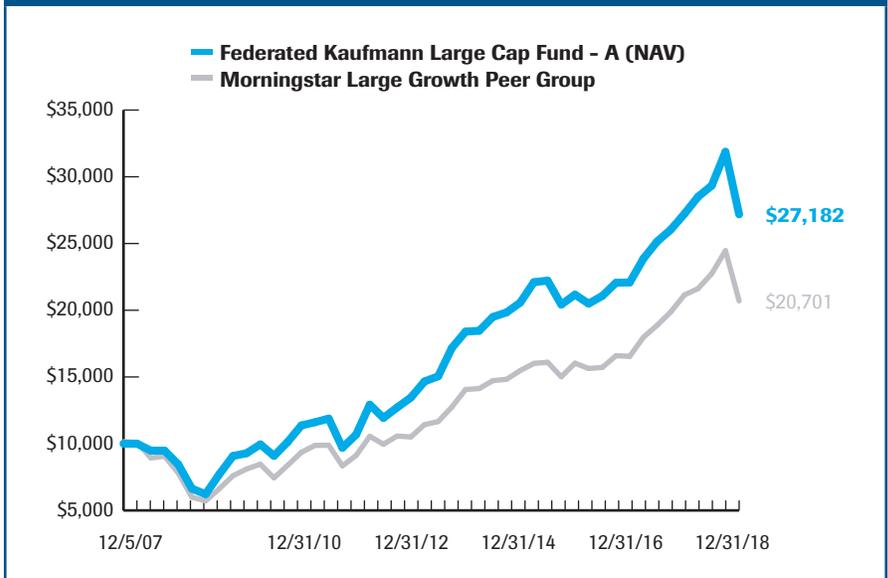
## A History of Strong Performance

- Since its inception, Federated Kaufmann Large Cap Fund has outperformed its large-cap growth peer group by about 30%.
- Federated Kaufmann Large Cap Fund is ranked in the top quartile of its Lipper and Morningstar categories for the 10-year period ending 12/31/18.

### Nasdaq Symbols

**R6 Shares:** KLCSX  
**Institutional Shares:** KLCIX  
**A Shares:** KLCAX  
**C Shares:** KLCCX  
**R Shares:** KLCKX

## Growth Investing Has Outperformed



Performance quoted is at net asset value and does not take the maximum 5.5% sales charge into account. If reflected, the returns would have been lower.

Source: Morningstar, Inc., 12/5/07-12/31/18.

Past performance is no guarantee of future results.

## Average Annual Total Returns % (as of 12/31/18)

	Performance Inception	Cumulative 3 Month	1 Year	3 Year	5 Year	10 Year	Since Inception	Expense Ratio*	
								Before Waivers	After Waivers
R6	12/5/07	-14.63	0.16	9.03	8.46	15.38	9.53	0.87	0.78
IS	12/5/07	-14.64	0.12	8.98	8.40	15.44	9.73	0.93	0.84
A (Net Asset Value)	12/5/07	-14.71	-0.14	8.69	8.12	15.15	9.45	1.20	1.09
A (Maximum Offering Price)	12/5/07	-19.40	-5.65	6.66	6.91	14.51	8.89	1.20	1.09

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](http://FederatedInvestors.com). Maximum Offering Price figures reflect the maximum sales charges of 5.5% for A Shares. See the prospectus for other fees and expenses that apply to a continued investment in the fund. Prior to January 2, 2008, the fund's initial seed capital was held as a cash position. In addition, the fund's advisor waived fees and reimbursed expenses. In the absence of these circumstances, performance would have been lower.

\* The fund's expense ratio is from the most recent prospectus. The expense ratio may reflect voluntary fee waivers and/or expense reimbursements determined by the fund's Advisor and its affiliates. The voluntary waivers and/or reimbursements, if applicable, are in effect up to but not including the later of 1/1/20 or the date of the fund's next effective prospectus.

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](http://FederatedInvestors.com). Please carefully read the summary prospectus or the prospectus before investing.

Other classes of shares are available whose performance will differ due to different charges and expenses.

## Category Rankings (as of 12/31/18)

### Morningstar Large Growth Category

R6 Shares	1 Year	3 Years	5 Years	10 Years
Morningstar Category % Rank	25	52	50	18
Morningstar Category Rank	377 of 1405 Funds	663 of 1247 Funds	561 of 1107 Funds	-

IS Shares	1 Year	3 Years	5 Years	10 Years
Morningstar Category % Rank	25	53	51	19
Morningstar Category Rank	384 of 1405 Funds	678 of 1247 Funds	577 of 1107 Funds	125 of 799 Funds

A Shares	1 Year	3 Years	5 Years	10 Years
Morningstar Category % Rank	28	58	54	23
Morningstar Category Rank	428 of 1405 Funds	741 of 1247 Funds	617 of 1107 Funds	160 of 799 Funds

### Lipper Multi-Cap Growth Funds

R6 Shares	1 Year	3 Years	5 Years	10 Years
Lipper Category % Rank	20	43	32	-
Lipper Category Rank	104 of 543 Funds	206 of 487 Funds	132 of 422 Funds	-

IS Shares	1 Year	3 Years	5 Years	10 Years
Lipper Category % Rank	21	44	33	14
Lipper Category Rank	109 of 543 Funds	211 of 487 Funds	137 of 422 Funds	43 of 311 Funds

A Shares	1 Year	3 Years	5 Years	10 Years
Lipper Category % Rank	22	49	36	17
Lipper Category Rank	118 of 543 Funds	235 of 487 Funds	150 of 422 Funds	50 of 311 Funds

**Past performance is no guarantee of future results.** Rankings are based on total return and do not take sales charges into account.

The fund's R6 Shares commenced operations on December 30, 2013. For the period prior to the commencement of operations of the R6 Shares, the R6 Shares performance information shown is for the Institutional Share adjusted to reflect the expenses of the fund's R6 Shares for each year for which the fund's R6 Shares expenses would have exceeded the actual expenses paid by the fund's Institutional Shares.

Mutual funds are subject to risks and fluctuate in value.

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.

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.

Russell 1000® Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect growth characteristics.

S&P 500 Index is an unmanaged capitalization-weighted index of 500 stocks designated to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

Indexes are unmanaged and cannot be invested in directly.

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