

Federated Investors, Inc. Announces Plans for Institutional Prime and Tax-free Money Market Funds

(PITTSBURGH, Pa., Nov. 16, 2015) – Federated Investors, Inc. (NYSE: FII), one of the nation’s largest investment managers, today announced further refinements to its plan to restructure the company’s line of money market funds by delineating which money market funds will be categorized as institutional money market funds under Rule 2a-7 of the Investment Company Act of 1940 and compliant with regulations issued by the U.S. Securities and Exchange Commission (SEC) in July 2014. Federated announced refinements to its government and retail money market funds in February and June 2015.

“As a result of an active dialogue with our sizeable and varied client base, Federated will offer four Rule 2a-7 money market funds designed specifically for institutional investors,” said J. Christopher Donahue, president and chief executive officer. “Federated, as a leading provider of liquidity services for the last four decades, continues to work with our clients in an effort to meet their liquidity needs today and in the future.”

Institutional money market funds

Federated expects to offer the four institutional money market funds listed in the table below. Each of the funds named below, beginning on Oct. 14, 2016, will have an initial net asset value of \$1.0000 that may fluctuate, as well as required provisions for fees and gates. The funds may offer a potential yield premium, when compared to government money market funds.

Institutional prime and national municipal money market funds
Federated Money Market Management
Federated Prime Obligations Fund
Federated Prime Value Obligations Fund
Federated Tax-Free Trust

The company also continues to work with institutional clients to consider options for various institutional floating net asset value money market funds, as well as separate accounts and stable value collective funds, in an effort to better meet their liquidity needs. The company also plans to begin offering a stable value private fund for qualified investors in the first quarter of 2016. For additional information and future updates about Federated’s liquidity products, visit FederatedInvestors.com/liquidity.

Refinements to Federated’s money market fund product line will continue to evolve as market, client or regulatory changes/guidance occur before the Oct. 14, 2016, final compliance date for the 2014 money market fund rules. Certain refinements, mergers and other changes also remain subject to fund board, shareholder and other reviews or approvals.

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Federated Investors, Inc. is one of the largest investment managers in the United States, managing \$351.0 billion in assets as of Sept. 30, 2015. With 129 funds and a variety of separately managed account options, Federated provides comprehensive investment management to more than 8,400 institutions and intermediaries including corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers. For more information, visit **FederatedInvestors.com**.

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The foregoing is not a solicitation of any proxy. Shareholders should read the proxy statement, which contains important information relating to the proposals, when it becomes available.

Certain statements in this press release, such as those related refinements of Federated's money market fund product line, client activity, money market fund mergers and obtaining certain regulatory, board and shareholder consents, authorizations or approvals constitute or may constitute forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of the company, or industry results, to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Other risks and uncertainties include the ability of the company to complete product line refinements or fund mergers. Other risks and uncertainties also include the risk factors discussed in the company's annual and quarterly reports as filed with the Securities and Exchange Commission. As a result, no assurance can be given as to future results, levels of activity, performance or achievements, and neither the company nor any other person assumes responsibility for the accuracy and completeness of such statements in the future.