

Federated Investors, Inc. Announces Distribution Agreement with London-based GML Capital, a Specialized Investment Manager

(PITTSBURGH, Pa., June 25, 2009) – Federated Investors, Inc. (NYSE: FII), one of the United States' largest investment managers, today announced a strategic agreement with GML Capital LLP, a London-based specialist investment manager, to market and distribute products focused on investment in global trade finance transactions, which will be advised by GML Capital. The announcement was made by Gordon J. Ceresino, vice chairman and executive director of international distribution at Federated, and Stefan Pinter, chief executive officer of GML Capital.

Through this new relationship with GML, Federated expects to develop investment opportunities for its high net worth and institutional investors who can benefit from the attractive characteristics this alternative asset class offers. Trade finance involves financing cross-border imports and exports of goods and services.

Historically, investors seeking alternative investment products have had limited opportunities to gain exposure to the trade finance asset class, which in 2008 generated more than \$130 billion of new investment opportunities. This asset class offers investors the potential for attractive returns, historically low default and high recovery rates with low correlation to market indices. The sourcing and structuring of these investments requires the specialized resources and expertise that GML possesses.

"With GML, we look forward to offering investors seeking non-correlated alpha opportunities access to the trade finance market," Ceresino said. "Federated believes that investing in the trade finance asset class is an attractive alternative way of generating additional returns and enhancing diversification in fixed income products."

GML is a fund management and advisory firm that specializes in the emerging markets and trade finance sectors. GML's areas of expertise include investment advisory and management; advising on debt restructuring and debt reduction strategies; debt recovery and trading; corporate finance advisory; and originating, structuring and distributing new financings.

"GML and the investment funds it manages have been structuring, distributing and profitably investing in trade finance transactions since 1991, and trade finance is one of GML's core areas of expertise," Pinter said. "GML is delighted to be working with Federated, given its outstanding reputation for performance and prudence, and Federated's strong relationships with major institutional investors."

About Federated

Federated Investors, Inc. is one of the largest investment managers in the United States, managing \$409.2 billion in assets as of March 31, 2009. With 158 funds and a variety of separately managed account options, Federated provides comprehensive investment management to nearly 5,400 institutions and intermediaries including

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corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers. For more information, visit **FederatedInvestors.com**.

About GML Capital LLP

GML Capital traces its roots to 1983 in London. Authorized and regulated by the Financial Services Authority in the UK, and an SEC registered investment adviser, GML acts as investment adviser and manager to a series of investment funds focusing primarily on emerging market credit. Headquartered in London, GML has offices in Kiev, Moscow, Genoa and Tbilisi and benefits from an extensive network of relationships worldwide. GML staff speak more than 15 languages, and have extensive backgrounds in fund management, trade finance, commercial banking and investment banking. GML's 13-strong London-based investment team has on average 18 years of international finance experience, and almost six years average tenure at GML. For more information, visit **www.gmlcapital.net**.

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For more complete information about Federated funds, please visit FederatedInvestors.com for prospectuses. For more complete information about GML Capital, please visit www.gmlcapital.net. You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. Information about these and other important subjects is in the fund's prospectus, which you should read carefully before investing.

Past performance is no guarantee of future results.

Mutual funds are subject to risks and fluctuate in value.

Separately managed accounts are made available through Federated Global Investment Management Corp., Federated Investment Counseling and Federated MDTA LLC, each a registered investment advisor.

Federated Securities Corp. is the distributor of Federated funds.

Certain statements in this press release, such as those related to development of investment opportunities for additional investors, 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. Among other risks and uncertainties is the ability of Federated to successfully develop trade finance-related alternative investments, and the risk factors discussed in the company's annual and quarterly reports as filed with the Securities and Exchange Commission. Many of these factors may be impacted as a result of the ongoing threat of terrorism. 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.