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## Press Release

### Federated Investors' Mutual Funds Complete Acquisition of Assets from Two Touchstone Mutual Funds

- **\$257.3 million in assets transitioned to Federated Clover funds**

(PITTSBURGH, Pa., August 31, 2009) – Federated Investors, Inc. (NYSE: FII), one of the nation's largest investment managers, today announced the completion of a transaction resulting in Federated's acquisition of certain assets of Touchstone Advisors, Inc. related to the management of two mutual funds. The announcement was made by J. Christopher Donahue, president and chief executive officer of Federated, and Jill T. McGruder, president of Touchstone Funds.

In connection with the transaction, shareholders of the two Touchstone mutual funds voted separately by fund to approve the reorganization of \$162.8 million in assets into Federated Clover Value Fund from Touchstone Value Opportunities Fund and \$94.5 million in assets into Federated Clover Small Value Fund from Touchstone Diversified Small Cap Value Fund. Federated Clover Value Fund invests in high quality stocks with a particular focus on stocks issued by larger, more established companies that appear to be temporarily undervalued. Federated Clover Small Value Fund invests in high quality, small-capitalization stocks that trade at attractive values relative to cash flow, book value, financial strength and historical valuations.

In 2008 Federated purchased substantially all of the assets of Clover Capital Management, Inc., which had sub-advised the Touchstone Value Opportunities Fund and Touchstone Diversified Small Cap Value Fund since their respective inception dates. Since that time, Clover's business relating to the management of these two Touchstone Funds has been operated within the Federated Clover Investment Advisors division of Federated Global Investment Management Corp., a wholly owned subsidiary of Federated.

#### **About Federated Investors, Inc.**

Federated Investors, Inc. is one of the largest investment managers in the United States, managing \$401.8 billion in assets as of June 30, 2009. With 155 funds and a variety of separately managed account options, Federated provides comprehensive investment management to more than 5,300 institutions and intermediaries including corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers. For more information, visit [FederatedInvestors.com](http://FederatedInvestors.com).

#### **About Touchstone Investments**

Touchstone Investments is a mutual fund company committed to providing access to institutional money managers who act in a sub-advisory capacity through a variety of strategically focused mutual funds across styles and asset classes. While its sub-advisors are held to strict performance standards, they work with a large measure

of independence and operate within their own demonstrated areas of expertise. Touchstone regularly reviews fund results including investment returns, investment style adherence, and competitive positioning and continually monitors its funds in what it believes to be the best interest of shareholders.

The Touchstone Funds are advised by Touchstone Advisors, Inc., a registered investment advisor, and are offered nationally through intermediaries including broker-dealers, financial planners and institutions by Touchstone Securities, Inc.<sup>1</sup> For more information please call 1-800-638-8194 or visit [www.touchstoneinvestments.com](http://www.touchstoneinvestments.com)

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*1 Touchstone Funds are distributed by Touchstone Securities, Inc., which is a registered broker-dealer and member FINRA and SIPC.*

*For more complete information about Federated funds, please visit [FederatedInvestors.com](http://FederatedInvestors.com) for prospectuses. For more complete information about the Touchstone funds, please visit [www.touchstoneinvestments.com](http://www.touchstoneinvestments.com). 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.