Federated Strategic Value Dividend Fund

Nasdaq Symbol — A: SVAAX  |  C: SVACX  |  R6: SVALX  |  IS: SVAIX

Product Highlights

■ Pursues income and long-term capital appreciation.
■ Seeks a substantially higher dividend yield than the broad market.
■ Invests primarily in high dividend yielding stocks of companies with dividend growth potential.
■ Offers the potential for competitive upside performance in strong market environments and the potential for lower downside risk in weak environments.

Morningstar Category

Large Value

Benchmark

Dow Jones Select Dividend Index

Key Investment Team

Daniel Peris, Ph.D., CFA
Deborah Bickerstaff

Fund Statistics

Portfolio Assets $15.0 b
Number of Securities 39
Dividends Paid Monthly
30-Day Yield 2.80%
Foreign Securities 27.19%
Portfolio Beta (Source: Wilshire 3 Year Beta versus S&P 500 Index calculated using monthly return) 0.65
Weighted Median P/E (NTM) 17.4x
Weighted Median P/E (LTM) 21.9x
Weighted Median Market Cap $98.4b
Weighted Median Price/Book 4.0x

Top Holdings (%)

Merck & Co., Inc. 4.7
AT&T INC 4.5
Phillip Morris International 4.5
Verizon Communications 4.5
AbbVie Inc. 4.4
Vodafone Group PLC 4.3
BCE, Inc. 4.2
Sanofi 4.1
Southern Co. 3.9
National Grid PLC 3.7

Overall Morningstar Rating™

A Shares Load-Waived  ★★★★★
A Shares  ★★★★★
Institutional Shares  ★★★★★

Rating is based on risk adjusted total return for A Shares, and Institutional Shares out of 1179 Funds in Large Value Category. The overall rating is derived from a weighted average of the fund's three-, five-, and ten-year average annual returns, as applicable. Morningstar Load-Waived Ratings do not reflect the effect of the front-end sales charge for A Shares.

Average Annual Total Returns (%)

Performance shown is before tax.

<table>
<thead>
<tr>
<th>NAV</th>
<th>Performance Inception</th>
<th>Cumulative 1 Year</th>
<th>Cumulative 3 Year</th>
<th>Cumulative 5 Year</th>
<th>Cumulative 10 Year</th>
<th>Since Inception</th>
<th>Expense Ratio*</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>3/30/05</td>
<td>-3.00</td>
<td>17.99</td>
<td>11.15</td>
<td>12.80</td>
<td>5.91</td>
<td>7.44</td>
</tr>
<tr>
<td>C</td>
<td>3/30/05</td>
<td>-3.18</td>
<td>17.30</td>
<td>10.31</td>
<td>11.94</td>
<td>5.12</td>
<td>6.67</td>
</tr>
<tr>
<td>R6</td>
<td>3/30/05</td>
<td>-2.92</td>
<td>18.31</td>
<td>11.33</td>
<td>12.99</td>
<td>6.01</td>
<td>7.43</td>
</tr>
<tr>
<td>IS</td>
<td>3/30/05</td>
<td>-2.92</td>
<td>18.40</td>
<td>11.44</td>
<td>13.11</td>
<td>6.18</td>
<td>7.73</td>
</tr>
<tr>
<td>Benchmark</td>
<td>1.37</td>
<td>22.24</td>
<td>12.96</td>
<td>16.46</td>
<td>7.07</td>
<td>1.37</td>
<td>-</td>
</tr>
</tbody>
</table>

Maximum Offering Price

A 3/30/05 -8.32 11.48 9.08 11.53 5.32 6.92 1.19 1.06
C 3/30/05 -4.14 16.30 10.31 11.94 5.12 6.67 1.94 1.81

Calendar Year Total Returns (%)

<table>
<thead>
<tr>
<th>A Shares/NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAV</td>
</tr>
<tr>
<td>Benchmark</td>
</tr>
</tbody>
</table>

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 charge of 1% for C 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. The expense ratio may reflect voluntary fee waivers and/or expense reimbursements determined by the fund's Adviser and its affiliates. For A, C and IS Shares, the voluntary waivers and/or reimbursements, if applicable, are in effect up to but not including the later of 1/1/17 or the date of the fund's next effective prospectus. With regard to R6 Shares, the voluntary waivers and/or reimbursements, if applicable, are in effect up to but not including the later of 7/1/17 or the date of the fund's next effective prospectus.
Federated Strategic Value Dividend Fund

Growth Over Time

If you had invested $10,000 in A Shares on 3/31/05 (month end of the fund's performance inception) and reinvested all distributions, here's how your account would have grown by 9/30/16.

<table>
<thead>
<tr>
<th>Date</th>
<th>Net Asset Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/05</td>
<td>$0</td>
</tr>
<tr>
<td>12/07</td>
<td></td>
</tr>
<tr>
<td>12/10</td>
<td></td>
</tr>
<tr>
<td>12/15</td>
<td></td>
</tr>
<tr>
<td>9/16</td>
<td>$22,843</td>
</tr>
</tbody>
</table>

The fund's R6 Shares commenced operations on June 30, 2016. For the period prior to the commencement of operations of the R6 Shares, the performance information shown is for Institutional Shares adjusted to reflect the expenses of R6 Shares for each year for which the fund's R6 expenses would have exceeded the actual expenses paid by the fund's Institutional Shares.

A Word About Risk

Mutual funds are subject to risks and fluctuate in value. There are no guarantees that dividend-paying stocks will continue to pay dividends. In addition, dividend-paying stocks may not experience the same capital appreciation potential as non-dividend paying stocks. Because the fund may allocate relatively more assets to certain industry sectors than others, the fund's performance may be more susceptible to any developments which affect those sectors emphasized by the fund.

International investing involves special risks including currency risk, increased volatility, political risks, and differences in auditing and other financial standards.

Definitions

The holdings percentages are based on net assets at the close of business on 9/30/16 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.

30-day yield (also known as “SEC yield”) for A Shares is a compounded and annualized figure calculated according to a formula set by the SEC. The formula requires use of a specific methodology for calculating dividends and interest earned, and expenses accrued, during the period, and reflects the maximum offering price per fund share. The standardized computation is designed to facilitate yield comparisons among different funds. In the absence of temporary expense waivers or reimbursements, the 30-day yield would have been 2.63% for A Shares. Yields for other classes will vary.

Growth Over Time performance is for the fund's A Shares. Figures do not reflect the 5.5% maximum sales charge. 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 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.

Dow Jones Select Dividend Index universe is defined as all dividend-paying companies in the Dow Jones U.S. Total Market Index that have a non-negative historical 5-year dividend-per-share growth rate, a 5-year average dividend earnings-per-share ratio of less than or equal to 60%, and 3-month average daily trading volume of 200,000 shares. Current index components are included in the universe regardless of their dividend payout ratio. The Dow Jones U.S. Total Market Index is a rule-governed, broad-market benchmark that represents approximately 95% of the U.S. market capitalization.

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.

Indexes are unmanaged and cannot be invested in directly.

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. ©2016 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.

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund’s monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each 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. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating metrics. Federated Strategic Value Dividend Fund was rated against the following numbers of U.S.-domesticated Large Value funds over the following time periods.

Ratings are for A and Institutional Shares; other classes may have different performance characteristics. For the 3-, 5- and 10-year periods ended 9/30/16, the fund’s A Shares received 4, 2 and 4 stars and the fund’s Institutional Shares received 5, 3 and 4 stars, and was rated among 1179, 1040 and 761 funds, respectively. Past performance is no guarantee of future results.

Morningstar offers ratings for Load-Waived versions of the A Shares of mutual funds. These ratings better reflect the investors experience for those individuals who do not pay the mutual funds front load, such as retirement-plan participants. These ratings are calculated according to the methodology for the Morningstar rating for funds, and they supplement the ratings for the original A Shares, which reflects the maximum front load. For the 3-, 5- and 10-year periods ended 9/30/16, the load-waived ratings were 5, 2 and 4 stars among 1179, 1040 and 761 funds, respectively.