



# Press Release

## Federated Investors, Inc. Appoints Abraham and Ellenberger to Lead Government Fixed-Income Group

(PITTSBURGH, Pa., June 22, 2005) -- Federated Investors, Inc. (NYSE: FII), one of the nation's largest investment managers, appointed Todd A. Abraham, CFA, vice president and senior portfolio manager, and Donald T. Ellenberger, senior vice president and senior portfolio manager, to lead the firm's government/mortgage-backed team. The announcement was made by Robert J. Ostrowski, CFA, chief investment officer for taxable fixed income.

Abraham and Ellenberger will oversee the management of Federated's \$6 billion in government/mortgage-backed assets. They succeed Susan M. Nason, CFA, senior vice president and senior portfolio manager, who recently retired.

Abraham will continue to focus on the mortgage-backed securities area, while his duties will be expanded to include additional portfolio management and administrative responsibilities. Abraham, a 16-year industry veteran, has been at Federated since 1993. Prior to joining the firm, he was a portfolio analyst for Ryland Mortgage Company and senior bond administrator for Ryland Asset Management Company. Abraham earned a master's degree in business administration from Loyola College and a bachelor's degree from Indiana University of Pennsylvania.

Since joining Federated in 1996, Ellenberger has been responsible for portfolio management in the fixed-income area where he focuses primarily on institutional government and multi-sector portfolios. His additional responsibilities will include managing Federated's low-duration government mutual funds and acting as co-head of Federated's yield-curve committee with Ostrowski. Before joining Federated, Ellenberger was a portfolio manager and senior trader at Mellon Bank. He earned a master's degree in business administration from Stanford University and a bachelor's degree from The Pennsylvania State University.

"Todd and Don's experience will continue to ensure that our government securities portfolios are managed in a process-driven manner that employs our proprietary research to seek optimal risk-adjusted returns for our retail and institutional clients," Ostrowski said.

Liam O'Connell, assistant vice president and portfolio manager/senior investment analyst, who had worked as the senior investment analyst for the government/mortgage-backed group, was

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Contacts:

MEDIA  
Meghan McAndrew  
(412) 288-8103  
mmcandrew@federatedinv.com

MEDIA  
J.T. Tuskan  
(412) 288-7895  
jtuskan@federatedinv.com

ANALYSTS  
Ray Hanley  
(412) 288-1920  
rhanley@federatedinv.com

named manager of two mutual funds. O'Connell, whose background includes an engineering career, has been at Federated since 2003. He earned a master's degree in business administration from Massachusetts Institute of Technology, a master's of science degree from Johns Hopkins University and a bachelor's of science degree from Webb Institute of Naval Architecture.

Management changes for Federated's government/mortgage-backed portfolios are as follows:

<b>Portfolio</b>	<b>Primary Manager</b>	<b>Back-up Manager</b>
Federated U.S. Government Bond Fund	Liam O'Connell	Don Ellenberger
Federated U.S. Government Securities Fund: 1-3 Years	Don Ellenberger	Bob Ostrowski
Federated U.S. Government Securities Fund: 2-5 Years	Don Ellenberger	Bob Ostrowski
Federated Total Return Government Bond Fund	Todd Abraham	Don Ellenberger
Federated Intermediate Government Fund, Inc.	Liam O'Connell	Todd Abraham
Federated Government Income Securities, Inc.	Todd Abraham	Liam O'Connell

Federated Investors, Inc. is one of the largest investment managers in the United States, managing approximately \$179 billion in assets as of March 31, 2005. With 138 mutual funds, various separately managed accounts and closed-end funds, Federated provides comprehensive investment management to nearly 5,700 institutions and intermediaries including corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers.

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Certain statements in this press release, such as those related to seeking optimal risk-adjusted returns, 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 Federated, 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 achieve such returns and the risk factors discussed in Federated's annual and quarterly reports as filed with the Securities and Exchange Commission. Many of these factors may be more likely to occur 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.

***Past performance is no guarantee of future results.***

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*Mutual funds are subject to risks and fluctuate in value.*

*For more complete information on Federated funds, please visit **FederatedInvestors.com** for prospectuses. Investors should consider the fund's investment objectives, risks, charges, and expenses carefully before investing. Information about these and other important subjects is in the fund's prospectus, which should be read carefully before investing.*

*Federated Securities Corp. is distributor of the Federated funds.*