

SECURITIES AND EXCHANGE COMMISSION

FORM 497K

Summary Prospectus for certain open-end management investment companies filed pursuant to Securities Act Rule 497(K)

Filing Date: **2013-01-28**  
SEC Accession No. [0001318148-13-000125](#)

([HTML Version](#) on [secdatabase.com](#))

FILER

**FEDERATED INCOME SECURITIES TRUST**

CIK:[789281](#) | IRS No.: [251412886](#) | State of Incorp.: **MA** | Fiscal Year End: **0430**  
Type: **497K** | Act: **33** | File No.: [033-03164](#) | Film No.: [13550133](#)

Mailing Address  
*4000 ERICSSON DRIVE  
WARRENDALE PA  
15086-7561*

Business Address  
*4000 ERICSSON DRIVE  
WARRENDALE PA  
15086-7561  
8003417400*

# Summary Prospectus

January 31, 2013

| Share Class   | Ticker |
|---------------|--------|
| A             | CAPAX  |
| B             | CAPBX  |
| C             | CAPCX  |
| F             | CAPFX  |
| Institutional | CAPSX  |

## Federated Capital Income Fund

A Portfolio of Federated Income Securities Trust

Before you invest, you may want to review the Fund's Prospectus, which contains more information about the Fund and its risks. You can find the Fund's Prospectus and other information about the Fund, including the Statement of Additional Information and most recent reports to shareholders, online at [FederatedInvestors.com/prospectus](http://FederatedInvestors.com/prospectus). You can also get this information at no cost by calling 1-800-341-7400 or by sending an email request to [services@federatedinvestors.com](mailto:services@federatedinvestors.com) or from a financial intermediary through which Shares of the Fund may be bought or sold. The Fund's Prospectus and Statement of Additional Information, both dated January 31, 2013, are incorporated by reference into this Summary Prospectus.

A mutual fund seeking to achieve current income and long-term growth of income. Capital appreciation is a secondary objective. The Fund will seek to achieve its investment objectives by investing in both equity and fixed-income securities that have high relative income potential.

As with all mutual funds, the Securities and Exchange Commission (SEC) has not approved or disapproved these securities or passed upon the adequacy of this Prospectus. Any representation to the contrary is a criminal offense.

**Not FDIC Insured • May Lose Value • No Bank Guarantee**

### Fund Summary Information

#### Federated Capital Income Fund (the "Fund")

##### RISK/RETURN SUMMARY: INVESTMENT OBJECTIVE

The Fund's investment objectives are current income and long-term growth of income. Capital appreciation is a secondary objective.

##### RISK/RETURN SUMMARY: FEES AND EXPENSES

This table describes the fees and expenses that you may pay if you buy and hold Class A Shares (A), Class B Shares (B), Class C Shares (C), Class F Shares (F) and Institutional Shares (IS) of the Fund. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$50,000, or \$1,000,000, in certain classes (e.g., A class and F class, respectively) of Federated funds. More information about these and other discounts is available from your financial professional and in the "What Do Shares Cost?" section of the Prospectus on page 16.

| Shareholder Fees (fees paid directly from your investment)  | A     | B     | C     | F     | IS   |
|---|-------|-------|-------|-------|------|
| Maximum Sales Charge (Load) Imposed on Purchases (as a percentage of offering price)                                      | 5.50% | None  | None  | 1.00% | None |
| Maximum Deferred Sales Charge (Load) (as a percentage of original purchase price or redemption proceeds, as applicable)   | 0.00% | 5.50% | 1.00% | 1.00% | None |
| Maximum Sales Charge (Load) Imposed on Reinvested Dividends (and other Distributions) (as a percentage of offering price) | None  | None  | None  | None  | None |
| Redemption Fee (as a percentage of amount redeemed, if applicable)  | None  | None  | None  | None  | None |
| Exchange Fee  | None  | None  | None  | None  | None |

**Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)**

|  |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|
| Management Fee   | 0.75% | 0.75% | 0.75% | 0.75% | 0.75% |
| Distribution (12b-1) Fee   | None  | 0.75% | 0.75% | 0.05% | None  |
| Other Expenses   | 0.55% | 0.55% | 0.55% | 0.55% | 0.30% |
| Acquired Fund Fees and Expenses  | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% |
| Total Annual Fund Operating Expenses   | 1.31% | 2.06% | 2.06% | 1.36% | 1.06% |
| Fee Waivers and/or Expense Reimbursements <sup>1</sup>                               | 0.41% | 0.41% | 0.41% | 0.46% | 0.41% |
| Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements | 0.90% | 1.65% | 1.65% | 0.90% | 0.65% |

1 The Adviser and its affiliates have voluntarily agreed to waive their fees and/or reimburse expenses so that total annual fund operating expenses (excluding Acquired Fund Fees and Expenses, Expenses Allocated from Affiliated Partnerships and Tax Reclaim Recovery Expenses) paid by the Fund's A, B, C, F and IS classes (after the voluntary waivers and/or reimbursements) will not exceed 0.89%, 1.64%, 1.64%, 0.89% and 0.64% (the "Fee Limit"), respectively, up to but not including the later of (the "Termination Date"): (a) February 1, 2014; or (b) the date of the Fund's next effective Prospectus. While the Adviser and its affiliates currently do not anticipate terminating or increasing these arrangements prior to the Termination Date, these arrangements may only be terminated or the Fee Limit increased prior to the Termination Date with the agreement of the Fund's Board of Trustees.

**Example**

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The Example assumes that you invest \$10,000 for the time periods indicated and then redeem all of your Shares at the end of those periods. Expenses assuming no redemption are also shown. The Example also assumes that your investment has a 5% return each year and that operating expenses are as shown in the table above and remain the same. Although your actual costs and returns may be higher or lower, based on these assumptions your costs would be:

| Share Class                     | 1 Year | 3 Years | 5 Years | 10 Years |
|---------------------------------|--------|---------|---------|----------|
| <b>A:</b>                       |        |         |         |          |
| Expenses assuming redemption    | \$676  | \$ 942  | \$1,229 | \$2,042  |
| Expenses assuming no redemption | \$676  | \$ 942  | \$1,229 | \$2,042  |
| <b>B:</b>                       |        |         |         |          |
| Expenses assuming redemption    | \$759  | \$1,046 | \$1,308 | \$2,197  |
| Expenses assuming no redemption | \$209  | \$ 646  | \$1,108 | \$2,197  |
| <b>C:</b>                       |        |         |         |          |
| Expenses assuming redemption    | \$309  | \$ 646  | \$1,108 | \$2,390  |
| Expenses assuming no redemption | \$209  | \$ 646  | \$1,108 | \$2,390  |
| <b>F:</b>                       |        |         |         |          |
| Expenses assuming redemption    | \$337  | \$ 626  | \$ 837  | \$1,719  |
| Expenses assuming no redemption | \$237  | \$ 526  | \$ 837  | \$1,719  |
| <b>IS:</b>                      |        |         |         |          |
| Expenses assuming redemption    | \$108  | \$ 337  | \$ 585  | \$1,294  |
| Expenses assuming no redemption | \$108  | \$ 337  | \$ 585  | \$1,294  |

**Portfolio Turnover**

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund Shares are held in a

taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 37% of the average value of its portfolio.

---

## RISK/RETURN SUMMARY: INVESTMENTS, RISKS AND PERFORMANCE

### What are the Fund's Main Investment Strategies?

The Fund pursues its investment objective by investing in both equity and fixed-income securities that have high relative income potential. The fund's investment adviser's ("Adviser") process for selecting equity investments attempts to identify mature, mid- to large-cap value companies and securities with high dividend yields that are likely to maintain and increase their dividends. The Adviser selects fixed-income investments that offer high current yields. The Adviser expects that these fixed-income investments will primarily be investment-grade debt issues, domestic noninvestment-grade debt securities (also known as "junk bonds" or "high-yield bonds") and foreign investment-grade and noninvestment-grade fixed-income securities, including emerging market debt securities. The Adviser continuously analyzes a variety of economic and market indicators, considers the expected performance and risks unique to these categories of fixed-income investments, and attempts to strategically allocate among the categories to achieve strong income across changing business cycles. The Adviser does not target an average maturity or duration for the Fund's portfolio and may invest in bonds of any maturity range. The Fund may buy or sell foreign currencies in lieu of or in addition to non-dollar denominated fixed-income securities in order to increase or decrease its exposure to foreign interest rate and/or currency markets.

Certain of the government securities in which the Fund invests are not backed by the full faith and credit of the U.S. government, such as those issued by the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Bank System. These entities are, however, supported through federal subsidies, loans or other benefits. The Fund may also invest in government securities that are supported by the full faith and credit of the U.S. government, such as those issued by the Government National Mortgage Association ("Ginnie Mae"). Finally, the Fund may invest in a few government securities that have no explicit financial support, but which are regarded as having implied support because the federal government sponsors their activities.

The Fund may use derivative contracts and/or hybrid instruments to implement elements of its investment strategy as more fully described in the Fund's Prospectus.

---

### What are the Main Risks of Investing in the Fund?

All mutual funds take investment risks. Therefore, it is possible to lose money by investing in the Fund. The primary factors that may reduce the Fund's returns include:

- **Stock Market Risk.** The value of equity securities in the Fund's portfolio will fluctuate and, as a result, the Fund's Share price may decline suddenly or over a sustained period of time.
- **Risk Related to Investing for Value.** The Fund generally uses a "value" style of investing, so that the Fund's Share price may lag that of other funds using a different investment style.
- **Counterparty Credit Risk.** Credit risk includes the possibility that a party to a transaction involving the Fund will fail to meet its obligations. This could cause the Fund to lose the benefit of the transaction or prevent the Fund from selling or buying other securities to implement its investment strategy.
- **Liquidity Risk.** Trading opportunities are more limited for fixed-income securities that have not received any credit ratings, have received ratings below investment grade or are not widely held. Trading opportunities are more limited for CMOs that have complex terms or that are not widely held. These features may make it more difficult to sell or buy a security at a favorable price or time. Consequently, the Fund may have to accept a lower price to sell a security, sell other securities to raise cash or give up an investment opportunity, any of which could have a negative effect on the Fund's performance. Infrequent trading of securities may also lead to an increase in their price volatility.
- **Risk Associated with Noninvestment-Grade Securities.** Securities rated below investment grade may be subject to greater interest rate, credit and liquidity risks than investment-grade securities.
- **Risk Related to the Economy.** Lower grade bond returns are sensitive to changes in the economy.
- **Interest Rate Risk.** Prices of fixed-income securities generally fall when interest rates rise.
- **Prepayment Risk.** When homeowners prepay their mortgages in response to lower interest rates, the Fund will be required to reinvest the proceeds at the lower interest rates available. Also, when interest rates fall, the price of mortgage-backed securities may not rise to as great an extent as that of other fixed-income securities.

- **Risk of Foreign Investing.** Because the Fund may invest in securities issued by foreign companies, the Fund's Share price may be more affected by foreign economic and political conditions, taxation policies and accounting and auditing standards than could otherwise be the case.
- **Risk of Investing in ADRs and Domestically Traded Securities of Foreign Issuers.** Because the Fund may invest in American Depository Receipts (ADRs) and other domestically traded securities of foreign

4

---

companies, the Fund's Share price may be more affected by foreign economic and political conditions, taxation policies and accounting and auditing standards than would otherwise be the case.

- **Risk of Investing in Emerging Market Countries.** Securities issued or traded in emerging markets generally entail greater risks than securities issued or traded in developed markets. Emerging market countries may have relatively unstable governments and may present the risk of nationalization of businesses, expropriation, confiscatory taxation or, in certain instances, reversion to closed market, centrally planned economics.
- **Currency Risk.** Exchange rates for currencies fluctuate daily. Accordingly, the Fund may experience increased volatility with respect to the value of its Shares and its returns as a result of its exposure to foreign currencies through direct holding of such currencies or holding of non-U.S. dollar denominated securities.
- **Eurozone Related Risk.** A number of countries in the European Union (EU) have experienced, and may continue to experience, severe economic and financial difficulties. Additional EU member countries may also fall subject to such difficulties. These events could negatively affect the value and liquidity of the Fund's investments in euro-denominated securities and derivatives contracts, securities of issuers located in the EU or with significant exposure to EU issuers or countries.
- **Risk of Investing in Derivative Contracts and Hybrid Instruments.** Derivative contracts and hybrid instruments involve risks different from, or possibly greater than, risks associated with investing directly in securities and other traditional investments. Specific risk issues related to the use of such contracts and instruments include valuation and tax issues, increased potential for losses and/or costs to the Fund, and a potential reduction in gains to the Fund. Each of these issues is described in greater detail in this Prospectus. Derivative contracts and hybrid instruments may also involve other risks described in this Prospectus or the Fund's Statement of Additional Information (SAI), such as stock market, interest rate, credit, currency, liquidity and leverage risks.
- **Exchange-Traded Funds Risk.** An investment in an exchange-traded fund (ETF) generally presents the same primary risks as an investment in a conventional fund (i.e., one that is not exchanged traded) that has the same investment objectives, strategies and policies.

5

- 
- **Sector Risk.** Sector risks is the possibility that a certain sector may underperform other sectors or the market as a whole.
  - **Leverage Risk.** Leverage risk is created when an investment, which includes, for example, an investment in a derivative contract, exposes the Fund to a level of risk that exceeds the amount invested. Changes in the value of such an investment magnify the Fund's risk of loss and potential for gain.
  - **Custodial Services and Related Investment Costs.** Custodial services and other costs relating to investment in international securities markets generally are more expensive than in the United States. Such markets have settlement and clearance procedures that differ from those in the United States. In certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. The inability of the Fund to make intended securities purchases due to settlement problems could cause the Fund to miss attractive investment opportunities. Inability to dispose of a portfolio security caused by settlement problems could result in losses to the Fund due to a subsequent decline in value of the portfolio security. In addition, security settlement and clearance procedures in some emerging countries may not fully protect the Fund against loss of its assets.
  - **Technology Risk.** Proprietary and third-party data and systems are utilized to support decision making for the Fund. Data imprecision, software or other technology malfunctions, programming inaccuracies and similar circumstances may impair the performance of these systems, which may negatively affect Fund performance.

The Shares offered by this Prospectus are not deposits or obligations of any bank, are not endorsed or guaranteed by any bank and are not insured or guaranteed by the U.S. government, the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.

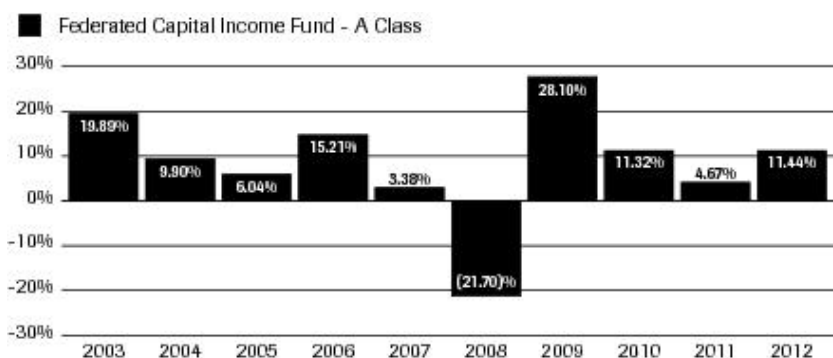
**PERFORMANCE: BAR CHART AND TABLE**

## Risk/Return Bar Chart

The Fund is the successor to Federated Capital Income Fund, Inc. (the "Predecessor Fund") pursuant to a reorganization that became effective on May 27, 2003. Prior to that date, the Fund had no investment operations. Accordingly, the performance information and financial information provided in this Prospectus for the periods prior to the reorganization is historical information of the Predecessor Fund. The Predecessor Fund was managed by Passport Research Ltd., using the same personnel as the Fund's Adviser and had the same investment objectives, strategies and policies as the Fund. The performance information shown below will help you analyze the Fund's investment risks in light of its historical returns.

6

The bar chart and performance table below reflect historical performance data for the Fund and are intended to help you analyze the Fund's investment risks in light of its historical returns. The bar chart shows the variability of the Fund's A class total returns on a calendar year-by-year basis. The Average Annual Total Return Table shows returns for each class *averaged* over the stated periods, and includes comparative performance information. *The Fund's performance will fluctuate, and past performance (before and after taxes) is not necessarily an indication of future results.* Updated performance information for the Fund is available under the "Products" section at FederatedInvestors.com or by calling 1-800-341-7400.



The total returns shown in the bar chart do not reflect the payment of any sales charges or recurring shareholder account fees. If these charges or fees had been included, the returns shown would have been lower.

Within the periods shown in the bar chart, the Fund's A class highest quarterly return was 12.45% (quarter ended June 30, 2003). Its lowest quarterly return was (13.51)% (quarter ended December 31, 2008).

## Average Annual Total Return Table

The Fund's IS class commenced operations on March 30, 2012. For the period prior to the commencement of operations of the IS class, the performance information shown below is for the A class. The performance of the A class has not been adjusted to reflect the expenses applicable to the IS class since the IS class has a lower expense ratio than the expense ratio of the A class. The performance of the A class has been adjusted to reflect the absence of sales charges applicable to A class and to remove any voluntary waiver of Fund expenses related to the A class that may have occurred during the period prior to the commencement of operations of the IS class.

In addition to Return Before Taxes, Return After Taxes is shown for the Fund's A class to illustrate the effect of federal taxes on Fund returns. After-tax returns are shown only for A class and after-tax returns for B, C, F and IS classes will differ from those shown for A class. *Actual after-tax returns depend on each investor's personal tax situation, and are likely to differ from those shown.* After-tax returns are calculated using a standard set of assumptions. The stated returns assume the highest historical **federal** income and capital gains tax rates. These

7

after-tax returns do **not** reflect the effect of any applicable **state** and **local** taxes. After-tax returns are not relevant to investors holding Shares through a 401(k) plan, an Individual Retirement Account or other tax-advantaged investment plan.

(For the Period Ended December 31, 2012)

|   | 1 Year | 5 Years | 10 Years |
|---|--------|---------|----------|
| <b>A:</b>   |        |         |          |
| Return Before Taxes   | 5.28%  | 4.24%   | 7.43%    |
| Return After Taxes on Distributions                         | 3.18%  | 2.63%   | 5.87%    |
| Return After Taxes on Distributions and Sale of Fund Shares | 3.37%  | 2.72%   | 5.61%    |

|   |        |       |       |
|---|--------|-------|-------|
| <b>B:</b>   |        |       |       |
| Return Before Taxes   | 4.94%  | 4.29% | 7.39% |
| <b>C:</b>   |        |       |       |
| Return Before Taxes   | 9.61%  | 4.64% | 7.24% |
| <b>F:</b>   |        |       |       |
| Return Before Taxes   | 9.17%  | 5.21% | 7.93% |
| <b>IS:</b>  |        |       |       |
| Return Before Taxes   | 11.11% | 5.36% | 8.01% |
| <b>Standard and Poor's 500 Index<sup>1</sup></b><br>(reflects no deduction for fees, expenses or taxes) | 16.00% | 1.66% | 7.10% |
| <b>Blended Index<sup>2</sup></b><br>(reflects no deduction for fees, expenses or taxes)                 | 11.60% | 6.27% | 6.16% |
| <b>Lipper Mixed-Asset Target Allocation Median Classification<sup>3</sup></b>                           | 11.38% | 2.61% | 6.30% |

- <sup>1</sup> The Standard and Poor's 500 Index is an unmanaged capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- <sup>2</sup> Barclays Capital changed the name of the BEMB, BHY2%ICI and the BMB indexes from "Barclays Capital Emerging Market Bond Index" to "Barclays Emerging Market Bond Index," "Barclays Capital High Yield 2% Issuer Capped Index" to "Barclays High Yield 2% Issuer Capped Index" and "Barclays Capital Mortgage-Backed Securities Index" to "Barclays Mortgage-Backed Securities Index." Blended Index is a blend of indexes comprised of 40% Dow Jones Select Dividend Index/20% Barclays Emerging Market Bond Index/20% Barclays High Yield 2% Issuer Capped Index /20% Barclays Capital Mortgage-Backed Securities Index.
- <sup>3</sup> Lipper figures represent the average of the total returns reported by all the mutual funds designated by Lipper, Inc. as falling into the respective category indicated. They do not reflect sales charges.

## FUND MANAGEMENT

The Fund's Investment Adviser ("Adviser") is Federated Equity Management Company of Pennsylvania. The Fund's Sub-Adviser is Federated Investment Management Company.

John L. Nichol, Senior Portfolio Manager, has been the Fund's portfolio manager since December 2000.

Linda Bakhshian, Portfolio Manager, has been the Fund's portfolio manager since November 2009.

Joseph M. Balestrino, Senior Portfolio Manager, has been the Fund's portfolio manager since December 2002.

Christopher J. Smith, Senior Portfolio Manager, has been the Fund's portfolio manager since July 2011.

Todd A. Abraham, Senior Portfolio Manager, has been the mortgage-backed affiliated fund's portfolio manager since August 1996.

Mark E. Durbiano, Senior Portfolio Manager, has been the high-yield affiliated fund's portfolio manager since August 1996.

Roberto Sanchez-Dahl, Portfolio Manager, has been the emerging markets affiliated fund's portfolio manager since November 2006.

## PURCHASE AND SALE OF FUND SHARES

You may purchase, redeem or exchange Shares of the Fund on any day the New York Stock Exchange is open. Shares may be purchased through a financial intermediary firm that has entered into a Fund selling and/or servicing agreement with the Distributor or an affiliate ("Financial Intermediary") or directly from the Fund, by wire or by check. Please note that certain purchase restrictions may apply. Redeem or exchange Shares through a financial intermediary or directly from the Fund by telephone at 1-800-341-7400 or by mail.

### A, B, C & F Classes

The minimum investment amount for the Fund's A, B, C and F classes is generally \$1,500 for initial investments and \$100 for subsequent investments. The minimum initial and subsequent investment amounts for Individual Retirement Accounts are generally \$250 and \$100, respectively. There is no minimum initial or subsequent investment amount for employer-sponsored retirement plans. The minimum investment for Systematic Investment Programs is \$50.

---

**IS Class**

The minimum initial investment amount for the Fund's IS class is generally \$1,000,000 and there is no minimum subsequent investment amount. The minimum investment amount for Systematic Investment Programs is \$50.

**TAX INFORMATION**

The Fund's distributions are taxable as ordinary income or capital gains except when your investment is through a 401(k) plan, an Individual Retirement Account or other tax-advantaged investment plan.

**PAYMENTS TO BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES**

If you purchase the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and/or its related companies may pay the intermediary for the sale of Fund Shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.



Federated Capital Income Fund  
Federated Investors Funds  
4000 Ericsson Drive  
Warrendale, PA 15086-7561

Contact us at **FederatedInvestors.com**  
or call 1-800-341-7400.

Federated Securities Corp., Distributor

*Investment Company Act File No. 811-4577*

*CUSIP 31420C878*

*CUSIP 31420C860*

*CUSIP 31420C852*

*CUSIP 31420C845*

*CUSIP 31420C621*

*Q450343 (1/13)*

Federated is a registered trademark of Federated Investors, Inc.  
2013 ©Federated Investors, Inc.