

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934

Date of Report: March 22, 2001

FEDERATED DEPARTMENT STORES, INC.

7 West Seventh Street, Cincinnati, Ohio 45202
(513) 579-7000

-and-

151 West 34th St., New York, New York 10001
(212) 494-1602

Delaware 1-13536 13-3324058
(State of Incorporation) (Commission File No.) (IRS Id. No.)

Item 5. Other Events

This Current Report on Form 8-K is being filed with the Securities and Exchange Commission by Federated Department Stores, Inc. ("Federated") for the purpose of filing, as exhibits hereto, the Unaudited Consolidated Statements of Operations and the Unaudited Operating Segment Data of Federated for the 14 weeks and 53 weeks ended February 3, 2001 and for the 13 weeks and 52 weeks ended January 29, 2000, the Unaudited Consolidated Balance Sheets of Federated as of February 3, 2001 and January 29, 2000 and the Unaudited Consolidated Statements of Cash Flows for Federated for the 53 weeks ended February 3, 2001 and for the 52 weeks ended January 29, 2000. The exhibits filed herewith should be read in conjunction with the consolidated financial statements, the notes thereto and the other information contained in Federated's Annual Report on Form 10-K for the fiscal year ended January 29, 2000.

On December 7, 2000, Prime Receivables Corporation, a subsidiary of Federated, issued and sold \$400,000,000 aggregate stated principal amount of 6.70% Class A Asset Backed Certificates, Series 2000-1. These certificates represent undivided interests in the Prime Credit Card Master Trust and are expected to mature on November 15, 2005.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

The following exhibits are filed herewith:

99.1 Unaudited Consolidated Statements of Operations of Federated for the 14 weeks and 53 weeks ended February 3, 2001 and for the 13 weeks and 52 weeks ended January 29, 2000.

99.2 Unaudited Operating Segment Data of Federated for the 14 weeks and 53 weeks ended February 3, 2001 and for the 13 weeks and 52 weeks ended January 29, 2000.

99.3 Unaudited Consolidated Balance Sheets of Federated as of February 3, 2001 and January 29, 2000.

99.4 Unaudited Consolidated Statements of Cash Flows of Federated for the 53 weeks ended February 3, 2001 and for the 52 weeks ended January 29, 2000.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FEDERATED DEPARTMENT STORES, INC.

Date: March 22, 2001 /s/ Dennis J. Broderick
Dennis J. Broderick
Senior Vice President, General Counsel
and Secretary

EXHIBIT INDEX

Exhibit
Number

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99.2 Unaudited Operating Segment Data of Federated for the 14 weeks and 53 weeks ended February 3, 2001 and for the 13 weeks and 52 weeks ended January 29, 2000.

99.3 Unaudited Consolidated Balance Sheets of Federated as of February 3, 2001 and January 29, 2000.

99.4 Unaudited Consolidated Statements of Cash Flows of Federated for the 53 weeks ended February 3, 2001 and for the 52 weeks ended January 29, 2000.

Exhibit 99.1

FEDERATED DEPARTMENT STORES, INC.

Consolidated Statements of Operations (Unaudited)

(All amounts in millions except percentages and per share figures)

	14 Weeks Ended February 3, 2001	13 Weeks Ended January 29, 2000	53 Weeks Ended February 3, 2001	52 Weeks Ended January 29, 2000
Net Sales	\$ 6,115	\$ 5,973	\$ 18,407	\$ 17,716
Cost of Sales:				

Recurring (Note 1)	3,583	3,496	10,872	10,443
Inventory valuation adjustments related to Fingerhut restructuring	-	-	35	-
Total cost of sales	3,583	3,496	10,907	10,443
Percent to sales	58.6%	58.5%	59.3%	58.9%
Selling, general and administrative expenses	1,697	1,621	6,023	5,572
Percent to sales	27.8%	27.1%	32.7%	31.5%
Asset impairment and restructuring charges (Note 2)	167	-	927	-
Percent to sales	2.7%	-%	5.0%	-%
Operating Income	668	856	550	1,701
Percent to sales	10.9%	14.4%	3.0%	9.6%
Interest expense - net	(119)	(104)	(437)	(355)
Income Before Income Taxes	549	752	113	1,346
Federal, state and local income tax expense	(217)	(304)	(297)	(551)
Net Income (Loss)	\$ 332	\$ 448	\$ (184)	\$ 795

Basic Earnings (Loss) per share (Note 3) \$ 1.67 \$ 2.11 \$ (.90) \$ 3.78

Diluted Earnings (Loss) per share (Note 3) \$ 1.65 \$ 2.04 \$ (.90) \$ 3.62

Analytical Diluted Earnings per share (Notes 3 and 4) \$ 2.15 \$ 2.04 \$ 3.08 \$ 3.62

Notes:

(1) Substantially all department store merchandise inventories are valued by the retail method and stated on the LIFO (last-in, first-out) basis, which is generally lower than market. Application of this method did not impact cost of sales for the 14 and 53 weeks ended February 3, 2001 or the 13 and 52 weeks ended January 29, 2000. Direct-to-customer merchandise inventories are stated at the lower of FIFO (first-in, first-out) cost or market.

(2) Asset impairment and restructuring charges for the 14 weeks ended February 3, 2001 represent the write-down of certain Fingerhut Internet-related and other venture capital investments totaling \$71 million, severance costs, facility closing costs and asset write-downs related to the downsizing of Fingerhut operations totaling \$42 million and asset write-downs related to the closure of the Stern's department store division and the planned disposition of certain of its properties totaling \$54 million. Asset impairment and restructuring charges for the 53 weeks ended February 3, 2001 represent the write-down of intangible assets related to the Fingerhut acquisition totaling \$673 million, the write-down of certain Fingerhut Internet-related and other venture capital investments totaling \$131 million, the write-down of Fingerhut fixed assets totaling \$18 million, severance costs, facility closing costs and asset write-downs related to the downsizing of Fingerhut

operations totaling \$51 million and asset write-downs related to the closure of the Stern's department store division and the planned disposition of certain of its properties totaling \$54 million.

(3) Common shares outstanding used in computing basic earnings (loss) per share were 198.7 million and 212.3 million for the 14 weeks ended February 3, 2001 and the 13 weeks ended January 29, 2000, respectively, and 204.8 million and 210.4 million for the 53 weeks ended February 3, 2001 and the 52 weeks ended January 29, 2000, respectively. Potential common shares used in computing diluted earnings (loss) per share were 201.6 million and 219.9 million for the 14 weeks ended February 3, 2001 and the 13 weeks ended January 29, 2000, respectively, and 204.8 million (207.0 million on an analytical basis) and 219.6 million for the 53 weeks ended February 3, 2001 and the 52 weeks ended January 29, 2000, respectively.

(4) Excludes the impact of inventory valuation adjustments related to the Fingerhut restructuring and the asset impairment and restructuring charges (see Note 2).

Exhibit 99.2

FEDERATED DEPARTMENT STORES, INC.

Operating Segment Data (Unaudited)

(millions)

14 Weeks Ended February 3, 2001	13 Weeks Ended January 29, 2000	53 Weeks Ended February 3, 2001	52 Weeks Ended January 29, 2000
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Net Sales

Department Stores	\$ 5,540	\$ 5,198	\$ 16,467	\$ 15,850
Direct-to-Customer	575	775	1,940	1,866
Total	\$ 6,115	\$ 5,973	\$ 18,407	\$ 17,716

Operating income

Department Stores:

Recurring	\$ 939	\$ 872	\$ 2,004	\$ 1,871
Asset impairment and restructuring charges (Note 1)	(54)	-	(54)	-
Total Department Stores	885	872	1,950	1,871

Direct-to-Customer:

Recurring	(6)	55	(288)	51
Asset impairment and restructuring charges (Note 2)	(42)	-	(104)	-
Total Direct-to-Customer	(48)	55	(392)	51

Corporate and other:

Recurring (Note 3)	(98)	(71)	(204)	(221)
Asset impairment and restructuring charges (Note 4)	(71)	-	(804)	-

Total corporate and other	(169)	(71)	(1,008)	(221)
Total	\$ 668	\$ 856	\$ 550	\$ 1,701
Depreciation and amortization expense				
Department Stores	\$ 155	\$ 158	\$ 606	\$ 619
Direct-to-Customer	11	5	44	33
Corporate and other (Note 2)	14	24	83	86
Total	\$ 180	\$ 187	\$ 733	\$ 738

Notes:

- (1) Asset impairment and restructuring charges in the Department Store segment represent asset write-downs related to the closure of the Stern's department store division and the planned disposition of certain of its properties totaling \$54 million.
- (2) Asset impairment and restructuring charges for the 14 weeks ended February 3, 2001 in the Direct-to-customer segment represent severance costs, facility closing costs and asset write-downs related to the downsizing of Fingerhut operations totaling \$42 million. Asset impairment and restructuring charges for the 53 weeks ended February 3, 2001 in the Direct-to-customer segment represent the write-down of fixed assets totaling \$18 million and other restructuring charges totaling \$86 million, consisting of severance costs, facility closing costs and asset write-downs related to the downsizing of Fingerhut operations totaling \$51 million and \$35 million of inventory valuation adjustments related to the Fingerhut restructuring.
- (3) Corporate and other consists of the income or expense associated with the corporate office and certain items managed on a company-wide basis (e.g. intangibles, financial instruments, investments, retirement benefits and properties held for sale or disposition).
- (4) Asset impairment and restructuring charges for the 14 weeks ended February 3, 2001 in the Corporate and other segment represent the write-down of certain Fingerhut Internet-related and other venture capital investments totaling \$71 million. Asset impairment and restructuring charges for the 53 weeks ended February 3, 2001 in the Corporate and other segment represent the write-down of intangible assets related to the Fingerhut acquisition totaling \$673 million and the write down of certain Fingerhut Internet-related and other venture capital investments totaling \$131 million.

Exhibit 99.3

FEDERATED DEPARTMENT STORES, INC.

Consolidated Balance Sheets (Unaudited)

(millions)

	February 3, 2001	January 29, 2000
ASSETS:		
Current Assets:		
Cash	\$ 322	\$ 218
Accounts receivable (Note 1)	4,072	4,313
Merchandise inventories	3,812	3,589
Supplies and prepaid expenses	200	230
Deferred income tax assets	294	172
Total Current Assets	8,700	8,522
Property and Equipment - net	6,830	6,828
Intangible Assets - net	896	1,735

Other Assets	586	607
Total Assets	\$17,012	\$17,692

LIABILITIES AND SHAREHOLDERS' EQUITY:

Current Liabilities:		
Short-term debt	\$ 1,722	\$ 1,284
Accounts payable and accrued liabilities	2,903	3,043
Income taxes	244	225
Total Current Liabilities	4,869	4,552
Long-Term Debt	4,374	4,589
Deferred Income Taxes	1,393	1,444
Other Liabilities	554	555
Shareholders' Equity	5,822	6,552
Total Liabilities and Shareholders' Equity	\$ 17,012	\$ 17,692

Note:

1. Consists of \$1,637 million of Fingerhut accounts receivable, net of \$584 million of allowance for doubtful accounts and \$2,435 million of other Federated accounts receivable, net of \$71 million of allowance for doubtful accounts as of February 3, 2001; and \$1,978 million of Fingerhut accounts receivable, net of \$295 million of allowance for doubtful accounts and \$2,335 million of other Federated accounts receivable, net of \$63 million of allowance for doubtful accounts as of January 29, 2000.

Exhibit 99.4

FEDERATED DEPARTMENT STORES, INC.

Consolidated Statements of Cash Flows (Unaudited)

(millions)

	53 Weeks Ended February 3, 2001	52 Weeks Ended January 29, 2000
Cash flows from operating activities:		
Net income (loss)	\$ (184)	\$ 795
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	653	657
Amortization of intangible assets	74	78
Amortization of financing costs	7	7
Amortization of unearned restricted stock	6	3
Asset impairment and restructuring charges	962	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	225	(473)
Increase in merchandise inventories	(256)	(164)
(Increase) decrease in supplies and prepaid expenses	30	(27)
Increase in other assets not separately identified	(17)	(8)
Increase (decrease) in accounts payable and accrued liabilities not separately identified	(154)	194
Increase in current income taxes	22	128
Increase (decrease) in deferred income taxes	(77)	64
Increase (decrease) in other liabilities not separately identified	(6)	9
Net cash provided by operating activities	1,285	1,263
Cash flows from investing activities:		
Purchase of property and equipment	(742)	(770)
Capitalized software	(100)	(52)
Investments in companies	(34)	(117)
Acquisition of Fingerhut Companies, Inc., net		

of cash acquired	-	(1,539)	
Disposition of property and equipment		72	46
Net cash used by investing activities		(804)	(2,432)

Cash flows from financing activities:

Debt issued	750	1,684	
Financing costs	(6)	(10)	
Debt repaid	(528)	(650)	
Increase (decrease) in outstanding checks		(43)	33
Acquisition of treasury stock	(603)	(267)	
Issuance of common stock	53	290	
Net cash provided (used) by financing activities	(377)	1,080	
Net increase (decrease) in cash	104	(89)	
Cash beginning of period	218	307	
Cash end of period	\$ 322	\$ 218	