

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: June 19, 2006

FEDERATED DEPARTMENT STORES, INC.

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

-and-

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

Delaware

1-13536

13-3324058

(State of Incorporation)

(Commission File Number)

(IRS Employer Identification No.)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.02 Termination of a Material Definitive Agreement.

On June 19, 2006, Federated Retail Holdings, Inc. ("Federated Holdings"), a wholly owned subsidiary of Federated Department Stores, Inc. ("Federated"), gave notice of its election to terminate, effective as of June 22, 2006, all of the lenders' commitments under the Bridge Credit Agreement, dated August 30, 2005, among Federated Holdings, as borrower, Federated, as guarantor, the lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as paying agent and an administrative agent, and Bank of America, N.A., as an administrative agent. No borrowings are currently outstanding under the Bridge Credit Agreement. A copy of the notice to terminate is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

On June 19, 2006, Federated issued a press release announcing its election to terminate the commitments under the Bridge Credit Agreement. A copy of the press release is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

99.1 Notice of Termination of Bridge Credit Agreement, dated June 19, 2006.

99.2 Press Release of Federated dated June 19, 2006.

FEDERATED DEPARTMENT STORES, INC.

SIGNATURE

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.

Dated: June 22, 2006

By: /s/ Karen M. Hoguet

Name: Karen M. Hoguet

Title: Executive Vice President and Chief Financial Officer

Federated

DEPARTMENT STORES, INC. 7 West Seventh Street - Cincinnati, Ohio 45202

-

Date: June 19, 2006

JPMorgan Chase Bank, N.A. as Paying Agent
Loan and Agency Services Group
1111 Fanin Street
Houston, TX 77002

Attn: Jennifer Anyigbo, telecopy No. (713) 750-2782

RE: Reduction of Commitment Notice under Bridge Credit Agreement dated as of August 30, 2005 among Federated Department Stores, Inc., Federated Retail Holdings, Inc., The Lenders party hereto, JPMorgan Chase Bank, N.A. as Administrative Agent and JPMorgan Chase Bank, N.A. as Paying Agent

Pursuant to Section 2.07 of the Bridge Credit Agreement, the Borrower hereby notifies the Administrative Agent that the Borrower desires to reduce the Commitments by \$1,291 million to terminate the bridge with an effective date of June 22, 2006.

Thank you.

By: /s/ Brian M. Szames
Title: Treasurer

CC: JPMorgan Chase Bank, N.A.
270 Park Avenue
New York, NY 10017
Attn: Barry Bergman, Telecopy No. (212) 270-6637

Federated Terminates Bridge Financing Facility; Company Resumes Share Repurchase Program

CINCINNATI--(BUSINESS WIRE)--June 19, 2006--Federated Department Stores, Inc. (NYSE:FD) (NYSE Arca:FD) today said it has sent notice to terminate its bridge financing facility used for the acquisition of The May Department Stores Company in August 2005. There currently are no borrowings outstanding under this facility.

The facility, in the initial amount of \$5 billion with a syndicate of four banks, was stated to mature on Aug. 29, 2006, one year from the date of acquisition. Subsequent to completion of initial sales of assets and credit receivables, the facility had been reduced to a current size of \$1.291 billion.

The company said it has resumed its share repurchase program, consistent with its stated intention to do so once it was comfortable that the bridge facility would be terminated. At the end of the first quarter of 2006, Federated had outstanding authorization to repurchase up to \$670 million of its shares in the open market.

"Our decision to terminate the bridge facility early and resume our share repurchase program demonstrates our confidence in the progress of our merger integration. Our prospects for upcoming asset sales in 2006 are on schedule and we continue to expect strong cash flow from operations in the future," said Terry J. Lundgren, Federated's chairman, president and chief executive officer.

Federated's working capital facility of \$2 billion, which expires in 2010, remains in place and available for use.

Federated, with corporate offices in Cincinnati and New York, is one of the nation's premier retailers, with fiscal 2006 sales expected to be more than \$27 billion. Federated operates more than 850 department stores in 45 states, the District of Columbia, Guam, and Puerto Rico under the names of Macy's, Bloomingdale's, Famous-Barr, Filene's, Foley's, Hecht's, Kaufmann's, L.S. Ayres, Marshall Field's, Meier & Frank, Robinsons-May, Strawbridge's, The Jones Store. The company also operates macys.com and Bloomingdale's By Mail.

All statements in this press release that are not statements of historical fact are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of Federated's management and are subject to significant risks and uncertainties. Actual results could differ materially from those expressed in or implied by the forward-looking statements contained in this release because of a variety of factors, including conditions to, or changes in the timing of, proposed transactions, the risk the company will not be able to divest the assets that it intends to divest or that the amounts realized in connection with the divestitures are less than anticipated, the risk that the company is not able to realize cost synergies expected from the merger with May Company or is not able to integrate the May Company as anticipated, prevailing interest rates, competitive pressures from specialty stores, general merchandise stores, manufacturers' outlets, off-price and discount stores, new and established forms of home shopping (including the Internet, mail-order catalogs and television) and general consumer spending levels, including the impact of the availability and level of consumer debt, the effect of weather and other factors identified in documents filed by the company with the Securities and Exchange Commission.

(NOTE: Additional information on Federated, including past news releases, is available at www.fds.com/pressroom)

CONTACT: Federated Department Stores, Inc.
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or
Investor - Susan Robinson, 513-579-7780

SOURCE: Federated Department Stores, Inc.