SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal quarter ended May 4, 1996.

FEDERATED DEPARTMENT STORES, INC.
151 West 34th Street
New York, New York 10001
(212) 695-4400
and
7 West Seventh St.
Cincinnati, Ohio 45202
(513) 579-7000

Delaware	1-13536	13-3324058
(State of Incorporation	(Commission File No.)	(I.R.S. Employer Identification Number)

The Registrant has filed all reports required to be filed by Section 12, 13 or 15 (d) of the Act during the preceding 12 months and has been subject to such filing requirements for the past 90 days.

207,663,740 shares of the Registrant's Common Stock, $.01 par value, were outstanding as of June 1, 1996.

PART I -- FINANCIAL INFORMATION

FEDERATED DEPARTMENT STORES, INC.

<TABLE>

Consolidated Statements of Operations
(Unaudited)

(thousands, except per share figures)

<CAPTION>

<S>	13 Weeks Ended May 4, 1996 <C>	13 Weeks Ended April 29, 1995 <C>
Net Sales, including leased department sales	$ 3,300,665	$2,988,006
Cost of sales	2,014,648	1,823,921
Selling, general and administrative expenses	1,153,065	1,069,959
Business integration and consolidation expenses	77,688	83,322
Operating Income	55,264	10,804

Interest expense	(123,345)	(109,501)
Interest income	11,064	11,949
Loss Before Income Taxes	(57,017)	(86,748)
Federal, state and local income tax benefit	19,071	29,749
Net Loss	$ (37,946)	$ (56,999)
Loss per Share	$ (.18)	$ (.31)
Average Number of Shares Outstanding	206,710	182,682

The accompanying notes are an integral part of these unaudited
Consolidated Financial Statements.

</TABLE>

FEDERATED DEPARTMENT STORES, INC.

<TABLE>

Consolidated Balance Sheets
(Unaudited)

(thousands)

<CAPTION>

<S>	May 4, 1996 <C>	February 3, 1996 <C>	April 29, 1995 <C>
ASSETS:			
Current Assets:			
Cash	$ 195,473	$ 172,518	$ 150,242
Accounts receivable	2,944,595	2,842,077	2,237,598
Merchandise inventories	3,204,023	3,094,848	2,553,193
Supplies and prepaid expenses	150,566	176,411	114,191
Deferred income tax assets	97,791	74,511	130,167
Total Current Assets	6,592,448	6,360,365	5,185,391
Property and Equipment - net	6,231,782	6,305,167	5,245,346
Intangible Assets - net	737,868	744,689	1,037,861
Notes Receivable	210,758	415,066	407,293
Other Assets	377,879	469,763	386,818
Total Assets	$ 14,150,735	$ 14,295,050	$12,262,709
LIABILITIES AND SHAREHOLDERS' EQUITY:			
Current Liabilities:			
Short-term debt	$ 537,594	$ 733,115	$ 671,741
Accounts payable and accrued liabilities	2,201,922	2,358,543	2,085,154
Income taxes	2,899	6,411	9,621
Total Current Liabilities	2,742,415	3,098,069	2,766,516
Long-Term Debt	5,768,933	5,632,232	4,526,191
Deferred Income Taxes	731,200	732,936	886,506
Other Liabilities	556,671	558,127	498,627
Shareholders' Equity	4,351,516	4,273,686	3,584,869
Total Liabilities and Shareholders' Equity	$ 14,150,735	$ 14,295,050	$12,262,709

The accompanying notes are an integral part of these unaudited Consolidated Financial Statements.

</TABLE>

FEDERATED DEPARTMENT STORES, INC.

<TABLE>

Consolidated Statements of Cash Flows
(Unaudited)

(thousands)

<CAPTION>

<S>	13 Weeks Ended May 4, 1996 <C>	13 Weeks Ended April 29, 1995 <C>
Cash flows from operating activities:		
Net loss	$ (37,946)	$ (56,999)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation and amortization of property and equipment	125,859	103,309
Amortization of intangible assets	6,821	10,828
Amortization of financing costs	5,799	4,968
Amortization of original issue discount	110	904
Amortization of unearned restricted stock	644	1,122
Changes in assets and liabilities:		
Decrease in accounts receivable	97,479	28,053
Increase in merchandise inventories	(109,175)	(172,572)
(Increase) decrease in supplies and prepaid expenses	25,845	(14,632)
Decrease in other assets not separately identified	8,350	7,392
Decrease in accounts payable and accrued liabilities not separately identified	(144,403)	(70,260)
Decrease in current income taxes	(3,512)	(46,292)
Increase (decrease) in deferred income taxes	(25,016)	1,015
Decrease in other liabilities not separately identified	(1,455)	(6,208)
Net cash used by operating activities	(50,600)	(209,372)
Cash flows from investing activities:		
Purchase of property and equipment	(62,029)	(45,995)
Disposition of property and equipment	92,007	23,804
Net cash provided (used) by investing activities	29,978	(22,191)
Cash flows from financing activities:		
Debt issued	46,865	311,918
Financing costs	(406)	(290)
Debt repaid	(105,796)	(107,152)
Decrease in outstanding checks	(12,218)	(30,297)
Acquisition of treasury stock	(574)	(347)
Issuance of common stock	115,706	1,483
Net cash provided by financing activities	43,577	175,315

</TABLE>

(Continued)

FEDERATED DEPARTMENT STORES, INC.

<TABLE>

Consolidated Statements of Cash Flows
(Unaudited)

(thousands)

<CAPTION>

<S>	13 Weeks Ended May 4, 1996 <C>	13 Weeks Ended April 29, 1995 <C>
Net increase (decrease) in cash	22,955	(56,248)
Cash at beginning of period	172,518	206,490

Cash at end of period	$ 195,473	$ 150,242
Supplemental cash flow information:		
Interest paid	$ 128,477	$ 72,386
Interest received	11,682	12,380
Income taxes paid (net of refunds received)	5,198	15,282

The accompanying notes are an integral part of these unaudited Consolidated Financial Statements.

</TABLE>

FEDERATED DEPARTMENT STORES, INC.

Notes to Consolidated Financial Statements
(Unaudited)

1. Summary of Significant Accounting Policies

A description of the Company's significant accounting policies is included in the Company's Annual Report on Form 10-K for the fiscal year ended February 3, 1996 (the "1995 10-K"). The accompanying Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and notes thereto in the 1995 10-K.

Because of the seasonal nature of the general merchandising business, the results of operations for the 13 weeks ended May 4, 1996 and April 29, 1995 (which do not include the Christmas season) are not indicative of such results for the fiscal year.

The Consolidated Financial Statements for the 13 weeks ended May 4, 1996 and April 29, 1995, in the opinion of management, include all adjustments (consisting only of normal recurring adjustments) considered necessary to present fairly, in all material respects, the consolidated financial position and results of operations of the Company and its subsidiaries.

2. Acquisition of Company

The Company acquired Broadway Stores, Inc. ("Broadway") pursuant to an Agreement and Plan of Merger dated August 14, 1995. The total purchase price of the Broadway acquisition was approximately $1,620.0 million, consisting of (i) 12.6 million shares of common stock and options to purchase an additional 1.5 million shares of common stock valued at $352.9 million and (ii) $1,267.1 million of Broadway debt. In addition, a wholly owned subsidiary of the Company purchased $422.3 million of mortgage indebtedness of Broadway for 6.8 million shares of common stock of the Company and a $242.3 million promissory note.

The Broadway acquisition was accounted for under the purchase method and, accordingly, the results of operations of Broadway have been included in the Company's results of operations since July 29, 1995 and the purchase price has been allocated to Broadway's assets and liabilities based on their estimated fair values as of that date.

The Company's accrued severance liability related to the Broadway acquisition of $22.5 million at February 3, 1996 was paid out during the 13 weeks ended May 4, 1996.

The following unaudited pro forma condensed statement of operations gives effect to the Broadway acquisition and related financing transactions as if such transactions had occurred at the beginning of the period presented.

	13 Weeks Ended April 29, 1995 (millions, except per share figure)
Net sales	$ 3,411.9
Net loss	(83.9)
Loss per share	(.42)

The foregoing unaudited pro forma condensed statement of operations gives effect to, among other pro forma adjustments, the following:

(i) Interest expense on debt incurred in connection with the acquisition and the reversal of certain of Broadway's historical interest expense;
(ii) Amortization, over 20 years, of the excess of cost over net assets acquired;
(iii) Depreciation and amortization adjustments related to fair market value of assets acquired;
(iv) Adjustments to income tax expense related to the above; and
(v) Adjustments for shares issued.

The foregoing unaudited pro forma information is provided for illustrative purposes only and does not purport to be indicative of results that actually would have been achieved had the Broadway acquisition been consummated on the first day of the period presented or of future results.

3. Business Integration and Consolidation Expenses

During the 13 weeks ended May 4, 1996, the Company recorded $77.7 million of business integration and consolidation expenses associated with the integration of Broadway into the Company ($65.9 million) and the ongoing consolidation of Macy's and other support operation restructurings ($11.8 million). Included in the Broadway integration expenses were $36.6 million of inventory valuation adjustments to merchandise in lines of business which the Company, subsequent to acquisition, eliminated or replaced. The remainder of the Broadway integration expenses relate primarily to the incremental costs associated with converting the Broadway stores to other nameplates including advertising, credit card issuance and promotion, data processing conversion and other name change expenses and the costs of operating Broadway central office functions for a transitional period.

During the 13 weeks ended April 29, 1995, the Company recorded $83.3 million of business integration and consolidation expenses associated with the integration of Macy's into the Company ($73.5 million) and the consolidation of the Company's Rich's/Goldsmith's and Lazarus divisions ($9.8 million). The primary components of the Macy's integration expenses were $40.0 million of inventory valuation adjustments to merchandise in lines of business which the Company, subsequent to the acquisition, eliminated or replaced, $8.6 million of severance costs and $24.9 million of other costs and expenses associated with integrating Macy's into the Company, including costs to close and sell certain stores and to convert a number of stores to other nameplates. Of the $9.8 million of expenses associated with the divisional consolidation referred to above, $7.9 million relates to inventory valuation adjustments to merchandise of the affected divisions in lines of business which were eliminated or replaced as a result of the consolidation.

FEDERATED DEPARTMENT STORES, INC.

Management's Discussion and Analysis
of Financial Condition and Results of Operations

For purposes of the following discussion, all references to "first quarter of 1996" and "first quarter of 1995" are to the Company's 13-week fiscal periods ended May 4, 1996 and April 29, 1995, respectively.

Results of Operations

Comparison of the 13 Weeks Ended May 4, 1996 and April 29, 1995

Net sales for the first quarter of 1996 totaled $3,300.7 million, compared to net sales of $2,988.0 million for the first quarter of 1995, an increase of 10.5%. Sales for the first quarter of 1996 include the stores added in the Broadway acquisition. On a comparable store basis, sales for the first quarter of 1996 increased 4.6% over the first quarter of 1995. Net sales for the first quarter of 1996 were somewhat negatively impacted by the Company's efforts to gradually reduce the degree to which it utilizes promotional selling practices with respect to home-related merchandise.

Cost of sales was 61.0% as a percent of net sales for both the first quarter of 1996 and the first quarter of 1995. Cost of sales includes no charge in the first quarter of 1996, compared to a charge of $1.8 million in the first quarter of 1995 resulting from the valuation of merchandise inventory on the last-in, first-out basis.

Selling, general and administrative expenses were 34.9% as a percent of net sales for the first quarter of 1996 compared to 35.8% for the first quarter of 1995. The improvement primarily reflects the operating efficiencies resulting from the integration of Macy's into the Company in fiscal 1995.

Business integration and consolidation expenses for the first quarter of 1996 consist of $65.9 million associated with the integration of Broadway and $11.8 million related to the ongoing consolidation of Macy's and other support operation restructurings. During the remainder of fiscal 1996, the Company expects to incur approximately $220.0 million of additional business integration and consolidation expenses in connection with the consolidation of Broadway, the ongoing consolidation of Macy's and the support operation restructurings.

Business integration and consolidation expenses for the first quarter of 1995 consist of $73.5 million associated with integration of Macy's into the Company and $9.8 million related to the consolidation of the Company's Rich's/Goldsmith's and Lazarus divisions.

Net interest expense was $112.3 million for the first quarter of 1996, compared to $97.6 million for the first quarter of 1995. The higher interest expense for the first quarter of 1996 is principally due to the higher levels of borrowings incurred in connection with the acquisition of Broadway.

Income tax benefit was $19.1 million for the first quarter of 1996. This amount differs from the amount computed by applying the federal income tax statutory rate of 35.0% to income before income taxes principally because of permanent differences arising from the amortization of intangible assets, and the effect of state and local income taxes.

FEDERATED DEPARTMENT STORES, INC.

Management's Discussion and Analysis
of Financial Condition and Results of Operations (Continued)

Liquidity and Capital Resources

The Company's principal sources of liquidity are cash from operations, cash on hand and available credit facilities.

Net cash used by operating activities in the first quarter of 1996 was $50.6 million, a decrease of $158.8 million from the net cash used by operating activities in the first quarter of 1995 of $209.4 million. The major factor contributing to this improvement was greater reductions in customer accounts receivables due to Broadway store closings.

Net cash provided by the Company for all financing activities was $43.6 million for the first quarter of 1996. During the first quarter of 1996, the Company repaid $105.8 million of debt, including $64.0 million of asset-backed notes issued by a subsidiary of Broadway, and borrowed $46.9 million under its credit facilities. The Company also issued 4.1 million shares of common stock and received $99.0 million in proceeds upon the exercise of its Series A Warrants.

Net cash provided by investing activities was $30.0 million for the first quarter of 1996, with purchases of property and equipment totaling $62.0 million and dispositions of property and equipment, principally Broadway stores, totaling $92.0 million. The Company opened one new furniture gallery and closed two Broadway department stores, one temporarily for renovation, in the first quarter of 1996.

On May 3, 1997, a $200.0 million installment of a note receivable matures and $176.0 million of borrowings under a note monetization facility become due and payable Accordingly, as of May 4, 1996, such amounts have been included in accounts receivable and short-term debt, respectively.

On May 14, 1996, a wholly owned subsidiary of the Company issued $238.8 million of asset-backed certificates in two separate classes. The two classes are: (i) $218.0 million in aggregate principal amount of 6.70% Class A Asset-Backed Certificates, Series 1996-1 due May 15, 2001 and (ii) $20.8 million in aggregate principal amount of 6.85% Class B Asset-Backed Certificates, Series 1996-1 due June 15, 2001. On the same day, the Company terminated the receivables based credit facility of a subsidiary of Broadway and repaid all commercial paper borrowings outstanding thereunder, which amounted to $368.4 million as of May 4, 1996.

On May 22, 1996, the Company issued $450.0 million of 8-1/2% Senior Notes due 2003, and subsequently prepaid $195.4 million of term borrowings under its bank credit facility.

Management believes the department store industry will continue to consolidate. Accordingly, the Company intends from time to time to consider additional acquisitions of department store assets and companies.

FEDERATED DEPARTMENT STORES, INC.

Management's Discussion and Analysis

Management of the Company believes that, with respect to its current operations, cash on hand and funds from operations, together with its credit facilities, will be sufficient to cover its reasonably foreseeable working capital, capital expenditure and debt service requirements. Acquisition transactions, if any, are expected to be financed through a combination of cash on hand and from operations and the possible issuance from time to time of long-term debt or other securities. Depending upon conditions in the capital markets and other factors, the Company will from time to time consider other possible capital markets transactions, including the refinancing of indebtedness.

PART II - - OTHER INFORMATION

FEDERATED DEPARTMENT STORES, INC.

Item 1. Legal Proceedings

The information regarding legal proceedings contained in the 1995 10-K covers events known to the Company and occurring prior to March 15, 1996. The following is a general description of certain developments in the legal proceedings known to the Company that arose subsequent to that date and prior to June 4, 1996.

Cash Payment Claims Against Macy's Debtors

As reported in the 1995 10-K, certain claims or portions thereof (collectively the "Cash Payment Claims") against the Macy's Debtors which, to the extent allowed by the United States Bankruptcy Court for the Southern District of New York, will be paid in cash pursuant to the Macy's POR, are currently disputed by the Company. As of June 4, 1996, the aggregate face amount of disputed Cash Payment Claims was approximately $216.8 million, while the estimated allowed amount thereof was approximately $210.8 million. Although there can be no assurance with respect thereto, the Company believes that the actual allowed amount of disputed Cash Payment Claims will not exceed the estimated allowed amount thereof.

Other Proceedings

The review by the Attorney General of the State of California of the anticompetitive effects of the Company's acquisition of Broadway, which was previously reported in Item 3 of the 1995 10-K, was resolved pursuant to a Settlement Agreement dated as of May 23, 1996, the provisions of which are not expected to have a material adverse effect on the Company's consolidated financial position or results of operations.

The Company and its subsidiaries are also involved in various legal proceedings incidental to the normal course of their business. Management does not expect that any of such proceedings will have a material adverse effect on the Company's consolidated financial position or results of operations.

Item 4. Submission of Matters to a Vote of Security Holders

The Annual Meeting of the Company's stockholders was held on May 17, 1996. The Company's stockholders voted on the following items at such meeting:

i. The stockholders approved the election of four Directors for a three-year term expiring at the 1999 Annual Meeting of the Company's stockholders (except that Mr. Everingham is expected to submit his resignation at the 1997 annual meeting of stockholders). The votes for such elections were as follows: Lyle Everingham - 170,504,005 votes in favor and 36,955,132 votes withheld; Meyer Feldberg - 170,509,343 votes in favor and 36,949,794 votes withheld; Ronald W. Tysoe - 170,491,142 votes in favor and 36,967,995 votes withheld; and Marna C. Whittington - 170,505,410 votes in favor and 36,953,727 votes withheld. There were no broker non-votes on this item.

ii. The stockholders ratified the employment of KPMG Peat Marwick LLP as the Company's independent accountants for the fiscal year ending February 1, 1997. The votes for the ratification were 171,211,091, the votes against the ratification were 71,250, the votes abstained were 101,848, and there were no broker non-votes.

iii. The stockholders voted against a resolution by a stockholder to publish periodically in various newspapers a detailed statement disclosing political and related contributions made by the Company. The votes against the resolution were 137,920,284, the votes for the resolution were 5,205,645, the votes abstained were 16,020,263, and there were 12,237,997 broker non-votes.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

4.1 Amendment No. 3, dated as of April 26, 1996, to the Credit Agreement, dated as of December 19, 1994, among the Company, the banks, financial institutions and other institutional lenders parties thereto (collectively, the "Lender Parties"), Citibank, N.A., as administrative agent for the Lender Parties, and Chemical Bank, as agent

4.2 Seventh Supplemental Trust Indenture, dated as of May 22, 1996, between the Company and State Street Bank and Trust Company (successor to The First National Bank of Boston), as Trustee (incorporated by reference to Exhibit 4 of the Company's Registration Statement on Form 8-K dated May 21, 1996)

11 Statement re computation of per share earnings

27 Financial Data Schedule

(b) Reports on Form 8-K

No reports were filed on Form 8-K during the quarter ended May 4, 1996.

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 thereunder duly authorized.

FEDERATED DEPARTMENT STORES, INC.

Date June 18, 1996

/s/ Dennis J. Broderick
Dennis J. Broderick
Senior Vice President,
General Counsel and Secretary

/s/ John E. Brown
John E. Brown
Senior Vice President
and Controller
(Principal Accounting Officer)

AMENDMENT NO. 3 TO THE CREDIT AGREEMENT

Dated as of April 26, 1996

AMENDMENT NO. 3 TO THE CREDIT AGREEMENT among Federated Department Stores, Inc., a Delaware corporation (the "Borrower"), the banks, financial institutions and other institutional lenders parties to the Credit Agreement referred to below (collectively, the "Lender Parties"), Citibank, N.A., as administrative agent (the "Administrative Agent") for the Lender Parties and Chemical Bank, as agent (the "Agent").

PRELIMINARY STATEMENTS:

(1) The Borrower, the Lender Parties, the Administrative Agent and the Agent have entered into a Credit Agreement dated as of December 19, 1994 (such Credit Agreement, as amended, supplemented or otherwise modified through the date hereof, the "Credit Agreement"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement.

(2) The Borrower and the Required Lenders have agreed to further amend the Credit Agreement as hereinafter set forth.

SECTION 1. Amendments to the Credit Agreement. The Credit Agreement is, effective as of the date hereof and subject to the satisfaction of the conditions precedent set forth in Section 2 below, hereby amended as follows:

(a) Section 1.01 is amended by adding in proper alphabetical order the following definition:

"`Senior Notes Indenture' means the Indenture dated as of December 15, 1994, as supplemented by the Third Supplemental Trust Indenture dated as of January 23, 1995, between the Borrower and State Street Bank and Trust Company (successor to the First National Bank of Boston), as Trustee, pursuant to which the Borrower's 10% Senior Notes due 2001 have been issued, as in effect on April 26, 1996."

(b) The first sentence of Section 2.06(b)(ii) is amended in full to read as follows:

"The Borrower shall, on the date of receipt of the Net Cash Proceeds by the Borrower or any of its Subsidiaries from (A) the sale, lease, transfer or other disposition of any assets of the Borrower or any of its Subsidiaries (other than any sale, lease, transfer or other disposition of assets pursuant to clause (i), (ii), (iii), (v) or (vi) of Section 5.02(d)) and (B) the incurrence or issuance by the Borrower or any of its Subsidiaries of any Debt (other than Debt incurred or issued pursuant to clause (i)(A), (B) or (D), (ii) or (iii) of Section 5.02(b)), prepay an aggregate principal amount of the Advances comprising part of the same Borrowings in an amount equal to, in the case of the incurrence or issuance of Debt pursuant to Section 5.02(b)(i)(E), 100% of the amount of such Net Cash Proceeds, and in all other cases, if during any Non-Investment Grade Period, 50% of the amount of such Net Cash Proceeds, and if during an Investment Grade Period, 0% of the amount of such Net Cash Proceeds".

(c) Section 5.02(b)(i) is amended by deleting the figure "$200,000,000" contained in clause (C) thereof and substituting for such figure the figure "$500,000,000".

(d) Section 5.02(b)(i) is further amended by (i) deleting the word "and" at the end of clause (C) thereof and (ii) adding to the end thereof a new subsection (E), to read as follows:

> "(E) unsecured Debt, provided that the terms (including, without limitation, interest rate and limitations on liens, if any) taken as a whole of any such Debt, and of any agreement entered into and of any instrument issued in connection therewith, are no less favorable to the Loan Parties or the Lender Parties, as determined by the Administrative Agent in its reasonable discretion, than the terms governing the Debt issued pursuant to the Senior Notes Indenture, provided that the maturity of any Debt issued pursuant to this subclause (E) shall be at least 6 months after the Termination Date and any amortization thereof shall commence no earlier than 6 months after the Termination Date, provided further that the Net Cash Proceeds thereof shall be applied to prepay Advances pursuant to and in accordance with Section 2.06(b)(ii); and".

SECTION 2. Conditions of Effectiveness. This Amendment shall become effective as of the date first above written when, and only when, on or before April 26, 1996 (or such later date as the Administrative Agent and the Borrower shall agree), the Administrative Agent shall have received counterparts of this Amendment executed by the Borrower and the Required Lenders and each of the consents attached hereto executed by each Guarantor and each Pledgor, as applicable. This Amendment is subject to the provisions of Section 8.01 of the Credit Agreement.

SECTION 3. Reference to and Effect on the Credit Agreement and the Loan Documents. (a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in the Notes and each of the other Loan Documents to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement, the Notes and each of the other Loan Documents, as specifically amended by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. Without limiting the generality of the foregoing, the Collateral Documents and all of the Collateral described therein do and shall continue to secure the payment of all Obligations of the Loan Parties under the Loan Documents, in each case as amended by this Amendment.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

SECTION 4. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 5. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

FEDERATED DEPARTMENT STORES, INC.

By \s\ Karen M. Hoguet
Name: Karen M. Hoguet
Title: Sr. Vice President and
Treasurer

CITIBANK, N.A.,
as Administrative Agent and as Lender

By \s\ Douglas H. Greeff
Name: Douglas H. Greeff
Title: Attorney-in-Fact

CHEMICAL BANK, as Agent and as
Lender

By \s\ William Rindfuss
Name: William Rindfuss
Title: Vice President

By
Name:
Title:

ALLIED IRISH BANKS, PLC

By
Name:
Title:

By
Name:
Title:

ARAB PLC, GRAND CAYMAN

By \s\ Peter Boyadjian
Name: Peter Boyadjian
Title: Senior Vice President

ARAB BANKING CORPORATION

By \s\ Grant E. McDonald
Name: Grant E. McDonald
Title: Vice President

THE ASAHI BANK, LTD.

By \s\ Junichi Yamada
Name: Junichi Yamada
Title: Senior Deputy General Manager

PT. BANK NEGARA INDONESIA
(PERSERO)

By \s\ Dewa Suthapa
Name: Dewa Suthapa
Title: General Manager

BANK OF AMERICA ILLINOIS

By \s\ M. A. Detrick
Name: M. A. Detrick
Title: Vice President

BANK OF IRELAND

By \s\ Paddy Bowling
Name: Paddy Bowling
Title: Account Manager

BANK OF MONTREAL

By \s\ Tom Brino
Name: Tom Brino
Title: Director

THE BANK OF NEW YORK

By \s\ Paula M. Diponzio
Name: Paula Diponzio
Title: Vice President

BANK ONE, COLUMBUS, N.A.

By \s\ Wendy C. Mayhew
Name: Wendy C. Mayhew
Title: Vice President & Group Manager

BANK POLSKA OPIEKI, S.A.

By
Name:
Title:

BANK OF SCOTLAND

By \s\ Cathering M. Oniffrey
Name: Cathering M. Oniffrey
Title: Vice President

BANK OF TOKYO TRUST COMPANY

By
Name:
Title:

THE BANK OF TOKYO - MITSUBISHI

LTD.

By
Name:
Title:

BANKERS TRUST

By
Name:
Title:

BANQUE PARIBAS

By \s\ Mary T. Finnegan
Name: Mary T. Finnegan
Title: Group Vice President

By \s\ Heather Zimmerman
Name: Heather Zimmerman
Title: Assistant Vice President

BEAR STEARNS & CO. INC.

By
Name:
Title:

BERLINER HANDELS-UND
FRANKFURTER BANK
(n/k/a BHF-Bank AG)

By
Name:
Title:

CAISSE NATIONALE DE CREDIT
AGRICOLE

By
Name:
Title:

CANADIAN IMPERIAL BANK OF
COMMERCE

By \s\ John J. Mack
Name: John J. Mack
Title: Authorized Signatory

CERES FINANCE

By
Name:
Title:

THE CHASE MANHATTAN BANK, N.A.

By \s\ Ellen L. Gertzog
Name: Ellen L. Gertzog
Title: Vice President

By
Name:
Title:

CITICORP SECURITIES, INC.

By \s\
Name:
Title:

COMERICA BANK

By \s\ Hugh G. Porter
Name: Hugh G. Porter
Title: Vice President

COMMERCEZBANK AKTIENGESELLSCHAFT.
GRAND CAYMAN BRANCH

By \s\ Mark Monson \s\ William J. Binder
Name: Mark Monson William J. Binder
Title:Vice President Ass't Vice President

CREDIT LYONNAIS CAYMAN ISLAND
BRANCH

By \s\ Sandra E. Horwitz
Name: Sandra E. Horwitz
Title: Authorized Signer

CREDIT SUISSE

By \s\ Chris T. Horgan
Name: Chris T. Horgan
Title: Associate

DEUTSCHE BANK AG NEW YORK
AND/OR CAYMAN ISLAND BRANCHES

By \s\ David S. Kahn
Name: David S. Kahn
Title: Assistant Vice President

By \s\ Hans-Josef Thiele
Name: Hans-Josef Thiele
Title: Vice President

THE FIFTH THIRD BANK

By \s\ Robert C. Ries
Name: Robert C. Ries
Title: Vice President

THE FIRST NATIONAL BANK OF
BOSTON

By \s\ Rod Guinn
Name: Rod Guinn
Title: Director

THE FIRST NATIONAL BANK OF
CHICAGO

By \s\ Paul E. Rigby
Name: Paul E. Rigby
Title: Managing Director

THE FIRST NATIONAL BANK OF MARYLAND

By \s\ Andrew W. Fish
Name: Andrew W. Fish
Title: Vice President

FLEET NATIONAL BANK

By \s\ Kathleen Dimock
Name: Kathleen Dimock
Title: Loan Officer

THE FUJI BANK, LIMITED, NEW
YORK BRANCH

By \s\ Katsunori Nazawa
Name: Katsunori Nozawa
Title: Vice President & Manager

GULF INTERNATIONAL BANK

By \s\ Abdel-Fattah Tahoun
Name: Abdel-Fattah Tahoun
Title: Senior Vice President

By \s\ Haytham F. Khalil
Name: Haytham F. Khalil
Title: Assistant Vice President

THE INDUSTRIAL BANK OF JAPAN, LTD.

By \s\ Mr. Junri Oda
Name: Mr. Junri Oda
Title: Senior Vice President &
Senior Manager

INTERNATIONALE NEDERLANDEN BANK
(U.S.) CAPITAL CORP.

By \s\ Joan M. Chiappe
Name: Joan M. Chiappe
Title: Vice President

LEHMAN COMMERCIAL PAPER

By
Name:
Title:

MELLON BANK, N.A.

By \s\ Deborah K. Bresiaf
Name: Deborah K. Bresiaf
Title: Vice President

MERITA BANK, LTD.

By
Name:
Title:

MERRILL LYNCH PRIME RATE
PORTFOLIO

By
Name:
Title:

MERRILL LYNCH SENIOR FLOATING
RATE FUND

By
Name:
Title:

MERRILL LYNCH SENIOR HIGH INCOME

By
Name:
Title:

MERRILL LYNCH SENIOR HIGH INCOME
II

By
Name:
Title:

MITSUBISHI TRUST

By \s\ Patricia Loret de Mola
Name: Patricia Loret de Mola
Title: Senior Vice President

THE MITSUI TRUST & BANKING CO., LTD.

By \s\ Margaret Holloway
Name: Margaret Holloway
Title: Vice President & Manager

MORGAN GUARANTY TRUST COMPANY OF
NEW YORK

By \s\
Name:
Title:

NATWEST SECURITIES

By
Name:
Title:

NATWEST BANK N.A.

By \s\ Cameron D. Gateman
Name: Cameron D. Gateman
Title: Vice President

NATIONSBANK N.A.

By \s\ Michael D. Monte
Name: Michael D. Monte
Title: Senior Vice President

THE NIPPON CREDIT BANK, LTD.

By \s\ Barry S. Fein
Name: Barry S. Fein
Title: Assistant Vice President

PEARL STREET, L.P.

By \s\ John E. Urban
Name: John E. Urban
Title: Authorized Signer

PNC BANK, OHIO, NATIONAL ASSOCIATION

By \s\ John T. Taylor
Name: John T. Taylor
Title: Senior Vice President

PROSPECT STREET SENIOR PORTFOLIO, L.P.
By PROSPECT STREET SENIOR LOAN CORP.

By \s\ Preston J. Carnes, Jr.
Name: Preston J. Carnes, Jr.
Title: Vice President

PROTECTIVE LIFE INSURANCE CO.

By
Name:
Title:

ROSA I

By
Name:
Title:

ROSA II

By
Name:
Title:

THE SANWA BANK, LIMITED, NEW YORK BRANCH

By \s\ Jean-Michael Faovi
Name: Jean-Michael Faovi
Title: Vice President

SOCIETE GENERALE

By \s\ Seth F. Asofsky
Name: Seth F. Asofsky
Title: Vice President

SOCIETY NATIONAL BANK

By \s\ Wayne K. Guessford
Name: Wayne K. Guessford
Title: Vice President

STAR BANK, N.A.

By
Name:
Title:

STRATA FUNDING

By
Name:
Title:

THE SUMITOMO BANK, LTD. NEW YORK BRANCH

By
Name:
Title:

THE SUMITOMO TRUST & BANKING CO., LTD., NEW YORK BRANCH

By \s\ Suraj Bhatia
Name: Suraj Bhatia

Title: Senior Vice President

SUNTRUST BANK, CENTRAL FLORIDA, N.A.

By \s\ J. Carol Doyle
Name: J. Carol Doyle
Title: First Vice President

TORONTO-DOMINION BANK

By \s\ David G. Parker
Name: David G. Parker
Title: Mgr. Cr. Admin.

THE TRAVELER'S INSURANCE COMPANY

By
Name:
Title:

UNION BANK, A DIVISION OF
UNION BANK OF CALIFORNIA, N.A.

By \s\ Timothy P. Streb
Name: Timothy P. Streb
Title: Vice President

VAN KAMPEN AMERICAN CAPITAL PRIME
RATE INCOME TRUST

By \s\ Jeffrey W. Maillet
Name: Jeffrey W. Maillet
Title: Sr. Vice Pres. - Portfolio Mgr.

WACHOVIA BANK OF GEORGIA, N.A.

By
Name:
Title:

CONSENT

Dated as of April 26, 1996

Each of the undersigned, as a Guarantor under the Guaranty dated as of December 19, 1994 (the "Guaranty") in favor of the Administrative Agent, for its benefit and the benefit of the Lender Parties party to the Credit Agreement referred to in the foregoing Amendment, hereby consents to such Amendment and hereby confirms and agrees that notwithstanding the effectiveness of such Amendment, the Guaranty is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects, except that, on and after the effectiveness of such Amendment, each reference in the Guaranty to the "Credit Agreement", "thereunder", "thereof" or words of like import shall mean and be a reference to the Credit Agreement, as amended by such Amendment.

BLOOMINGDALE'S, INC.
BLOOMINGDALE'S BY MAIL LTD.
THE BON, INC.
BROADWAY STORES, INC.
BULLOCK'S, INC.
BURDINES, INC.
FEDERATED REAL ESTATE, INC.
FEDERATED RETAIL HOLDINGS, INC.
LAZARUS, INC.
LAZARUS PA, INC.
MACY'S CLOSE-OUT, INC.
MACY'S EAST, INC.
MACY'S REAL ESTATE, INC.
MACY'S SPECIALTY STORES, INC.
MACY'S WEST, INC.
RICH'S DEPARTMENT STORES, INC.
STERN'S DEPARTMENT STORES, INC.

By \s\ Karen M. Hoguet
Name: Karen M. Hoguet
Title: Sr. Vice President & Treasurer

Address of
Chief Executive Office and for
Notices:
7 West Seventh Street
Cincinnati, OH 45202
Attention: Chief Financial Officer
(with a copy to General
Counsel)

CONSENT

Dated as of April 26, 1996

Each of the undersigned, as a Pledgor under the Security Agreement dated as of December 19, 1994 (the "Security Agreement") in favor of the Administrative Agent, for its benefit and the benefit of the Lender Parties party to the Credit Agreement referred to in the foregoing Amendment, hereby consents to such Amendment and hereby confirms and agrees that (a) notwithstanding the effectiveness of such Amendment, the Security Agreement is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects, except that, on and after the effectiveness of such Amendment, each reference in the Security Agreement to the "Credit Agreement", "thereunder", "thereof" or words of like import shall mean and be a reference to the Credit Agreement, as amended by such Amendment, and (b) the Collateral Documents to which such Pledgor is a party and all of the Collateral described therein do, and shall continue to, secure the payment of all of the Secured Obligations (in each case, as defined therein).

FEDERATED DEPARTMENT STORES, INC.

By \s\ Karen M. Hoguet
Title: Sr. Vice President & Treasurer

Address of Chief Executive Office and
for Notices:
7 West Seventh Street
Cincinnati, OH 45202
Attention: Chief Financial Officer
(with a copy to General Counsel)

FEDERATED RETAIL HOLDINGS, INC.

By \s\ Karen M. Hoguet
Title: Sr. Vice President & Treasurer

Address of Chief Executive Office and
for Notices:
7 West Seventh Street
Cincinnati, OH 45202
Attention: Chief Financial Officer
(with a copy to General Counsel)

EXHIBIT 11

<TABLE>

FEDERATED DEPARTMENT STORES, INC.
EXHIBIT OF PRIMARY AND FULLY DILUTED LOSS PER SHARE
(thousands, except per share data)

<CAPTION>

	13 Weeks Ended			
	May 4, 1996		April 29, 1995	
	Shares	Loss	Shares	Loss
<S>	<C>	<C> <C>	<C>	<C> <C>
Net loss and average number of shares outstanding	206,710	$ (37,946)	182,682	$ (56,999)
Loss per share		$ (.18)		$ (.31)
PRIMARY COMPUTATION:				
Average number of common share equivalents:				
Shares to be issued to the U.S. Treasury	40		81	
Deferred compensation plan	212		143	
Warrants	1,382		-	
Stock options	1,533		377	
Adjusted number of common and common equivalent shares outstanding and adjusted net loss	209,877	(37,946)	183,283	$ (56,999)
Primary loss per share		$ (.18)		$ (.31)
FULLY DILUTED COMPUTATION:				
Additional adjustments to a fully diluted basis:				
Warrants	226		-	
Stock options	191		1	
Adjusted number of shares outstanding and net loss on a fully diluted basis	210,294	$ (37,946)	183,284	$ (56,999)
Fully diluted loss per share		$ (.18)		$ (.31)

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<EPS-DILUTED>	(.18)

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<F1>Includes the following:

Supplies and prepaid expenses	150,566
Deferred income tax assets	97,791

<F2>Includes the following:

Intangible assets - net	737,868
Notes receivable	210,758
Other assets	377,879

<F3>Includes the following:

Deferred income taxes	731,200
Other liabilities	556,671
Shareholders' Equity	4,351,516

<F4>Includes the following:

Interest Income	11,064

</FN>

</TABLE>