

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 11-K

☒ ANNUAL REPORT PURSUANT TO SECTION 15(D) OF THE
SECURITIES AND EXCHANGE ACT OF 1934 [FEE REQUIRED]

For fiscal year ended December 31, 1995

☐ TRANSITION REPORT PURSUANT TO SECTION 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

Commission file number : 1-13536

A. Full title of the plan and the address of the plan, if
different from that of the issuer named below: Federated Savings
Plan for Employees of Lazarus PA, Inc.

B. Name of issuer of the securities held pursuant to the
plan and the address of its principal executive office:

Federated Department Stores, Inc.
151 West 34th Street
New York, New York 10001

and

7 West Seventh Street
Cincinnati, Ohio 45202

FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Financial Statements

December 31, 1995 and 1994

With Independent Auditors' Report Thereon

FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

December 31, 1995 and 1994

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Independent Auditors' Report

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Independent Auditors' Report

Pension and Profit Sharing Committee
Federated Department Stores, Inc.
Federated Savings Plan for Employees of Lazarus PA, Inc.

We have audited the accompanying statements of net assets available for benefits of the Federated Savings Plan for Employees of Lazarus PA, Inc. as of December 31, 1995 and 1994 and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 1995 and 1994 and the changes in net assets available for benefits for the years then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Fund Information in the statements of net assets available for benefits and the statements of changes in net assets available for benefits is presented for purposes of additional analysis rather than to present the net assets available for plan benefits and changes in net assets available for plan benefits of each fund. The Fund Information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

KPMG Peat Marwick LLP

Cincinnati, Ohio
June 14, 1996

<TABLE>

FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Statement of Net Assets Available for Benefits, with Fund Information

December 31, 1995

<CAPTION>

	Fund A	Fund B	Fund C	Loan Fund D	Fund	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Assets:						
Investments, at fair value (note 3):						
Participation in Master Trust	\$ 1,981,324	\$ 1,621,860	\$ 1,649,816	\$ 462,546	\$ -	\$ 5,715,546
Participants' loans	-	-	-	85,896	85,896	
Total investments	1,981,324	1,621,860	1,649,816	462,546	85,896	5,801,442
Receivables:						
Employer contributions	-	-	-	6,114	-	6,114
Employee contributions	48,583	46,086	39,827	9,697	-	144,193
Total receivables	48,583	46,086	39,827	15,811	-	150,307
Net assets available for benefits	\$ 2,029,907	\$ 1,667,946	\$ 1,689,643	\$ 478,357	\$ 85,896	\$ 5,951,749

The accompanying notes are an integral part of these financial statements.

</TABLE>

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FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Statement of Net Assets Available For Benefits, with Fund Information

December 31, 1994

<CAPTION>

	Clearing Account Fund	Money Market Fund	Managed Income Fund	Index Equity Fund	Small Cap Fund	Delaware Fund	Loan Fund	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Assets:								
Investments, at fair value (note 3):								
Money market funds	\$ 51,003	\$ 1,016,628	\$ 1,767,642	\$ 1,716,091	\$ 1,608,741	\$ -	\$ 1,893	\$ 6,161,998
Other mutual funds	-	-	10,398	32,823	82,284	344,450	-	469,955
Participants' loans	-	-	-	-	-	174,455	174,455	
Total investments	51,003	1,016,628	1,778,040	1,748,914	1,691,025	344,450	176,348	6,806,408
Investment income receivable		610	8,626	545	530	497	8,286	43 19,137
Due (to) from other funds	(51,613)	3,163	(78,951)	31,998	14,999	130,195	(49,791)	-
Total assets	-	1,028,417	1,699,634	1,781,442	1,706,521	482,931	126,600	6,825,545

Liabilities:

Accrued liabilities	-	638	1,147	1,147	1,105	213	-	4,250
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Net assets available for benefits	\$	-	\$1,027,779	\$1,698,487	\$1,780,295	\$1,705,416	\$ 482,718	\$ 126,600	\$6,821,295
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The accompanying notes are an integral part of these financial statements.

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FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Statement of Changes in Net Assets Available for Benefits, with Fund Information

Year Ended December 31, 1995

<CAPTION>

	Fund A <C>	Fund B <C>	Fund C <C>	Fund D <C>
<S>				
Additions:				
Contributions:				
Employee	\$ 264,593	\$ 231,360	\$ 210,060	\$ 51,355
Employer	221	338	853	106,514
Total contributions	264,814	231,698	210,913	157,869
Net investment income (loss):				
Plan interest in Master Trust				
investment income (note 3)	213,533	403,422	475,257	93,261
Investment income (loss)	-	-	-	-
Total investment income (loss)	213,533	403,422	475,257	93,261
Total additions	478,347	635,120	686,170	251,130
Deductions -				
Participant withdrawals	2,417,867	193,638	245,688	65,680
Transfer of assets from PNC to				
Master Trust	4,540,250	977,603	950,206	229,196
Interfund transfers, net	(570,823)	248,861	298,955	63,711
Net increase (decrease)	2,029,907	1,667,946	1,689,643	478,357
Net assets available for benefits:				
Beginning of year	-	-	-	-
End of year	\$ 2,029,907	\$ 1,667,946	\$ 1,689,643	\$ 478,357

The accompanying notes are an integral part of these financial statements.

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(Continued)

FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Statement of Changes in Net Assets Available for Benefits, with Fund Information

Year Ended December 31, 1995

<CAPTION>

	Money Market Fund	Managed Income Fund	Index Equity Fund	Small Cap Fund	Delaware Fund	Loan Fund	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Additions:							
Contributions:							
Employee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 757,368
Employer	-	-	-	-	-	-	107,926
Total contributions	-	-	-	-	-	-	865,294
Net investment income (loss):							
Plan interest in Master Trust investment income (note 3)	-	-	-	-	-	-	1,185,473
Investment income (loss)	(2,806)	1,659	1,639	1,557	511	-	2,560
Total investment income (loss)	(2,806)	1,659	1,639	1,557	511	-	1,188,033
Total additions	(2,806)	1,659	1,639	1,557	511	-	2,053,327
Deductions -							
Participant withdrawals	-	-	-	-	-	-	2,922,873
Transfer of assets from PNC to Master Trust	(1,024,973)	(1,700,146)	(1,781,934)	(1,706,973)	(483,229)	-	-
Interfund transfers, net	-	-	-	-	(40,704)	-	-
Net increase (decrease)	(1,027,779)	(1,698,487)	(1,780,295)	(1,705,416)	(482,718)	(40,704)	-
Net assets available for benefits:							
Beginning of year	1,027,779	1,698,487	1,780,295	1,705,416	482,718	126,600	6,821,295
End of year	\$ -	\$ -	\$ -	\$ -	\$ 85,896	\$ 5,951,749	

The accompanying notes are an integral part of these financial statements.

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(Continued)
FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Statement of Changes in Net Assets Available for Benefits, with Fund Information

Year Ended December 31, 1994

<CAPTION>

	Money Market Fund	Managed Income Fund	Index Equity Fund	Small Cap Fund	Delaware Fund	Loan Fund	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Additions:							
Contributions:							
Employee	\$ 139,453	\$ 169,381	\$ 284,632	\$ 209,056	\$ 90,465	\$ -	\$ 892,987
Employer	1,920	3,848	4,359	3,820	1,645	-	15,592
Total contributions	141,373	173,229	288,991	212,876	92,110	-	908,579
Investment income (loss):							
Investment income	34,012	117,797	65,803	80,360	16,135	9,720	323,827
Net depreciation in fair value of investments	-	(220,745)	(51,617)	(119,480)	(12,806)	-	(404,648)
Total investment income (loss)	34,012	(102,948)	14,186	(39,120)	3,329	9,720	(80,821)
Total additions	175,385	70,281	303,177	173,756	95,439	9,720	827,758
Deductions:							
Participant withdrawals	261,667	367,568	470,247	454,613	122,484	4,066	1,680,645
Administrative expenses (note 6)	8,852	16,573	14,888	15,278	3,633	-	59,224
Total deductions	270,519	384,141	485,135	469,891	126,117	4,066	1,739,869

Interfund transfers, net	(72,771)	(55,643)	(51,781)	45,805	132,978	1,412	-
Net increase (decrease)	(167,905)	(369,503)	(233,739)	(250,330)	102,300	7,066	(912,111)
Net assets available for benefits:							
Beginning of year	1,195,684	2,067,990	2,014,034	1,955,746	380,418	119,534	7,733,406
End of year	\$1,027,779	\$1,698,487	\$1,780,295	\$1,705,416	\$482,718	\$ 126,600	\$6,821,295

The accompanying notes are an integral part of these financial statements.

</TABLE>

FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Notes to Financial Statements

December 31, 1995 and 1994

1. Description of Plan

The following brief description of Federated Savings Plan for Employees of Lazarus PA, Inc. (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General

The Plan is sponsored by Federated Department Stores, Inc. (the "Company") which acquired Joseph Horne Co., Inc. ("Horne's"), the former sponsor of the Plan, on May 26, 1994. The Plan, established as of July 1, 1987, is a defined contribution plan and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan was amended and restated as of January 1, 1995 (the "Amendment Date") to adopt provisions substantially similar to the thrift incentive provisions of the The Federated Department Stores, Inc. Retirement Income and Thrift Incentive Plan ("RITI"), also sponsored by the Company, and to change the name of the plan from the Joseph Horne Co., Inc. Thrift Incentive Plan to the current name.

Eligibility and Vesting

Employees are generally eligible for participation in the Plan after one year of service of at least 1,000 hours. Participants are fully vested in the value of their own and the Company's contributions at all times. Prior to the Amendment Date, participants became vested in their allocated share of employer contributions in 20% increments after two years and became fully vested after six years of credited service.

Participant Accounts

An account is maintained for each participant in the Plan which shows the participant's separate interest in the Plan. At the end of each year, the Company's contributions are allocated to individual accounts for participants who did not make a withdrawal of basic (first 5%) savings during the year, in the proportion that each participant's basic savings made and not withdrawn during the year bears to the aggregate amounts of basic savings made and not withdrawn by all participants during the year. Additional voluntary contributions (any contributions in excess of 5% of compensation) do not participate in the Company's allocation. Company contributions are made at year end only to persons who are active participants on the last day of the year. At the end of each month, investment earnings for each fund are

allocated to individual accounts on amounts not withdrawn during the month in the proportion that each such participant's interest at the beginning of the month bears to the total of all such participants' interests in that fund at the beginning of such month less withdrawals.

Participants may elect to contribute to the Plan an amount equal to 1% to 10% (subject to certain limitations) of the participant's eligible compensation. Alternatively, a participant may elect to make these contributions (subject to certain limitations) on a pre-tax basis pursuant to Section 401(k) of

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FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Notes to Financial Statements - Continued

December 31, 1995 and 1994

the Internal Revenue Code. Contributions up to 5% of eligible compensation are basic savings which are eligible for matching Company contributions. The Company's annual contribution is an amount equal to the greater of 2% of the Company's income before federal income taxes from participating divisions or the amount necessary to match 20% of participants' basic savings. The Company contributed 20.0% of participants' basic savings for year ended December 31, 1995.

Participants are permitted to make withdrawals of their after-tax contributions to the Plan at any time. Withdrawals of pre-tax contributions are subject to the hardship rules of Section 401 of the Internal Revenue Code. At termination, participants may elect to receive the balance of their account either in a lump sum or an annuity contract.

Prior to the Amendment Date, plan participants could make regular pre-tax contributions of 2% to 6% of their salaries or wages. Participants directed their contributions to one or several investment fund options subject to allocation limitations set forth in the Plan. Changes in allocation of future contributions and transfers of presently invested contributions between funds were permitted pursuant to the Plan provisions. The employer could match participants' contributions and credit the participants accounts on a monthly basis, reduced by forfeitures of nonvested Plan participants. After January 1994, Horne's elected to discontinue its employer contribution.

Loans

Prior to the Amendment Date, loans could be granted subject to specified limitations and only against that portion of a participant's account that was vested. Loans are collateralized by the vested portion of the participant's account and repayments are made through payroll deductions. All loans bear interest at the prime rate plus two percentage points on the first day of the calendar quarter in which the note was signed.

After the Amendment Date, no new participant loans can be granted from the Plan.

2.Summary of Significant Accounting Policies

a) Master Trust

Effective January 1, 1995, the Plan entered into the Federated Department Stores, Inc. Defined Contribution Plan Master Trust (the "Master Trust") Agreement with the Company's trustee. Under the terms of the Master Trust, the

trustee serves as trustee custodian for the Master Trust which was established for the investment of assets of the Plan and of RITI. As part of the Master Trust formation, all of the assets held by the PNC Bank Corp. ("PNC"), the former trustee, were liquidated and transferred to the Master Trust.

The Federated Department Stores, Inc. Pension and Profit Sharing Committee selects a diversified group of investment managers who determine purchases and sales of investments for their respective portions of the assets allocated to them to manage in the Master Trust.

(Continued)

FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Notes to Financial Statements - Continued

December 31, 1995 and 1994

b) Basis of Presentation

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting.

c) Investments

The fair value of the Plan's participation in the Master Trust is based on the beginning of year value of the Plan's participation in the Master Trust plus allocated investment income, plus actual contributions, less actual distributions and allocated administrative expenses.

Other investments, except for loans, are reported at fair value as determined by quoted market prices on an active market. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses on the sale of securities are reported on the average cost method.

Outstanding loans in the loan fund are stated at amortized cost.

Dividend income is recorded on the ex-dividend date. Income from other investments is recorded as earned on an accrual basis.

d) Use of Estimates

The Plan administrator has made a number of estimates and assumptions relating to the preparation of these financial statements. Actual results could differ from these estimates.

3. Investments

All of the Plan's investments were transferred to the Master Trust on January 1, 1995 which was established for the investment of assets of the Plan and of RITI. Each participating plan has an undivided interest in the Master Trust. The assets of the Master Trust are held by the trustee. At December 31, 1995, the Plan's interest in the net assets of the Master Trust was approximately .9%. Investment income and administrative expense relating to the Master Trust are allocated to the individual plans based upon monthly balances invested by each plan.

In 1994, the Company was party to a trust agreement with a trustee with respect to the operation of the Plan and the establishment and management of the trust fund.

(Continued)

FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Notes to Financial Statements - Continued

December 31, 1995 and 1994

The trustee under both the Master Trust and previously, in accordance with the trust agreement, invests all contributions to the Plan among several investment funds. The current fund options are Funds A, B, C and D. Fund A is invested in fixed-income investments and insurance contracts. Fund B is composed of common/collective trusts which invest in a varying mixture of equity securities and fixed-income instruments. Fund C is invested in an equity index fund consisting of Standard and Poor's 500 stock investments. Fund D is invested in the common stock of the Company. Company contributions are directed to Fund D. Participants may elect to redirect the value of Company contributions to other investment options permitted pursuant to the Plan provisions.

The following table presents the fair values or contract values of investments and total net assets for the Master Trust at December 31, 1995:

Assets:

Investments at fair value:

Cash and cash equivalents	\$ 23,449
U. S. Government securities	110,496,670
Corporate debt instruments	75,797,493
Preferred stock	133,239
Common stock	72,016,207
Foreign government securities	4,967,180
Common/collective trusts	278,246,438
Total investments at fair value	541,680,676

Insurance contracts at contract value 111,880,590

Total investments 653,561,266

Receivables:

Securities sold	282,364
Accrued interest, dividend and other income	2,313,919
Total receivables	2,596,283
Total assets	656,157,549

Accrued liabilities:

Due to broker for securities purchased	5,651,352
Accrued administrative expenses	501,650
Total accrued liabilities	6,153,002

Total net assets \$650,004,547

FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Notes to Financial Statements - Continued

December 31, 1995 and 1994

Net investment income for the Master Trust for the years ended December 31, 1995 is as follows:

Net appreciation in fair value

of investments:

Certificates of deposit	\$ (5,610)
U.S. Government securities	8,514,007
Corporate debt instruments	1,564,391
Preferred stock	9,323
Common stock	19,583,368
Foreign government securities	13,001
Common/collective trusts	60,910,182
Net appreciation in fair value of investments	90,588,662

Interest	24,425,834
Dividends	4,337,912
Other	2,856,868
Total investment income	122,209,276

Administrative expenses	(2,561,490)
Net investment income	\$ 119,647,786

The following table presents the fair value of investments, except for loans, held as of December 31, 1994 that represent five percent or more of the Plan's net assets.

PNC money market fund	\$6,161,998
Delaware fund	344,450

Net depreciation in the fair value of investments for the year ended December 31, 1994 was as follows:

PNC managed income fund	\$ (220,745)
PNC index equity fund	(51,617)
PNC small cap value fund	(119,480)
Delaware fund	(12,806)
	\$ (404,648)

(Continued)

FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Notes to Financial Statements - Continued

December 31, 1995 and 1994

4. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 % vested in their accounts, the Company would have no further obligation to make contributions, and all sums credited to individual accounts (after expenses) would be distributed to participants.

5. Federal Income Tax

The Plan obtained its latest determination letter on July 20, 1988, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. While the Plan has been amended since receiving such determination letter, the Plan administrator and the Plan's tax counsel believed that the Plan was designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. The Plan has since received a favorable determination letter dated April 12, 1996 which states that the Plan, as then designed, was in compliance with applicable provisions of the Internal Revenue Code and, therefore, is exempt from Federal income

tax. Therefore, no provision for income taxes has been included in the Plan's financial statements.

6. Administrative Expenses

Various expenses, including trust, investment, consulting, actuarial, recordkeeping, legal and audit fees, are paid for by the Plan.

Pursuant to the requirements of the Securities and Exchange Act of 1934, the members of the Pension and Profit Sharing Committee (which is the administrative committee for the Federated Savings Plan for Employees of Lazarus PA, Inc.) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

FEDERATED SAVINGS PLAN FOR EMPLOYEES OF LAZARUS PA, INC.

Dated: July 1, 1996 By: /s/ John R. Sims
John R. Sims
Chairman of the Pension and Profit
Sharing Committee

CONSENT OF INDEPENDENT AUDITORS

The Board of Directors
Federated Department Stores, Inc.

We consent to incorporation by reference in this Registration Statement No. 33-88240 on Form S-8 of Federated Department Stores, Inc. of our report dated June 14, 1996, relating to the statements of net assets available for benefits of Federated Savings Plan for Employees of Lazarus PA, Inc. as of December 31, 1995 and 1994, and the related statements of changes in net assets available for benefits for the years then ended, which report appears in the December 31, 1995 Annual Report on Form 11-K of Federated Savings Plan for Employees of Lazarus PA, Inc.

/s/ KPMG Peat Marwick LLP
KPMG Peat Marwick LLP

Cincinnati, Ohio
June 25, 1996