

FEDERATED DEPARTMENT STORES INC /DE/
 Form 4
 July 13, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
COLE THOMAS L

2. Issuer Name and Ticker or Trading Symbol
FEDERATED DEPARTMENT STORES INC /DE/ [FD]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
07/11/2006

____ Director
 Officer (give title below)
 ____ 10% Owner
 ____ Other (specify below)
 Vice Chair

C/O FEDERATED DEPARTMENT STORES INC, 7 WEST SEVENTH STREET

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ____ Form filed by More than One Reporting Person

CINCINNATI, OH 45202

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	07/11/2006		M		72,000	A	\$ 13.6562
Common Stock	07/11/2006		M		97,500	A	\$ 14.285
Common Stock	07/11/2006		S		72,000	D	\$ 36.2815
Common Stock	07/11/2006		S		97,500	D	\$ 36.304
	07/11/2006		A		50,000	A	\$ 0

Common
Stock

Common
Stock

8,913 ⁽²⁾ I

By 401(k)
Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Security (Instr. 3 and 4)	8. An
						Date Exercisable	Expiration Date		
Option to Purchase Common Stock	\$ 13.6562 ⁽³⁾	07/11/2006		M	72,000 ⁽³⁾	⁽⁴⁾	08/25/2010	Common Stock	7
Option to Purchase Common Stock	\$ 14.285 ⁽⁵⁾	07/11/2006		M	97,500 ⁽⁵⁾	⁽⁶⁾	03/28/2013	Common Stock	9
Option to Purchase Common Stock	\$ 36.51	07/11/2006		A	150,000		07/11/2009 07/11/2016	Common Stock	15

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

COLE THOMAS L
C/O FEDERATED DEPARTMENT STORES INC
7 WEST SEVENTH STREET
CINCINNATI, OH 45202

Vice Chair

Signatures

/s/ Christopher M. Kelly, as attorney-in-fact for Thomas L. Cole pursuant to a Power of Attorney

07/13/2006

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) On June 9, 2006, the common stock of the Issuer split 2-for-1, resulting in the reporting person's ownership of 14,533 additional shares of common stock.
- (2) Reflects matching contributions under the Issuer's 401(k) plan, derived by dividing the value of the undivided interest of the reporting person in the applicable investment fund as of July 12, 2006 by \$35.95, the stock price of such date.
- (3) This option was previously reported as covering 36,000 shares at an exercise price of \$27.3125 per share, but was adjusted to reflect the Issuer's stock split that occurred on June 9, 2006.
- (4) Options became exercisable as follows: 18,000 on August 25, 2001, 18,000 on August 25, 2002, 18,000 on August 25, 2003 and 18,000 on August 25, 2004.
- (5) This option was previously reported as covering 65,000 shares at an exercise price of \$28.57 per share, but was adjusted to reflect the Issuer's stock split that occurred on June 9, 2006.
- (6) Options became exercisable as follows: 32,500 on March 28, 2004, 32,500 on March 28, 2005 and 32,500 on March 28, 2006.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.