

Edgar Filing: DILLARDS INC - Form SC 13D

DILLARDS INC
Form SC 13D
September 25, 2008

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
RULE 13d-2(a)

Under the Securities Exchange Act of 1934

Dillard's, Inc.

(Name of Issuer)

Common Stock, Par Value \$0.01 Per Share

(Title of Class of Securities)

254067101

(CUSIP Number)

Marc Weingarten, Esq.
David Rosewater, Esq.
Schulte Roth & Zabel LLP
919 Third Avenue
New York, New York 10022
(212) 756-2000

Peter G. Smith, Esq.
Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, NY 10036
(212) 715-9100

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

September 25, 2008

(Date of Event which Requires
Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box. []

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

Edgar Filing: DILLARDS INC - Form SC 13D

(Continued on following pages)

(Page 1 of 33 Pages)

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 2 OF 33 PAGES

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

BARINGTON COMPANIES EQUITY PARTNERS, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

7 SOLE VOTING POWER

591,862 (including 45,000 shares subject to
call options)

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH

8 SHARED VOTING POWER

NONE

9 SOLE DISPOSITIVE POWER

Edgar Filing: DILLARDS INC - Form SC 13D

REPORTING
PERSON WITH

591,862 (including 45,000 shares subject to
call options)

10 SHARED DISPOSITIVE POWER

NONE

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

591,862 (including 45,000 shares subject to call options)

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES*

[]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.85%

14 TYPE OF REPORTING PERSON*

PN

* SEE INSTRUCTIONS

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 3 OF 33 PAGES

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

BARINGTON COMPANIES INVESTORS, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) [X]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS*

00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

[]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

7 SOLE VOTING POWER

591,862 (including 45,000 shares subject to

Edgar Filing: DILLARDS INC - Form SC 13D

call options)

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

8 SHARED VOTING POWER

NONE

9 SOLE DISPOSITIVE POWER

591,862 (including 45,000 shares subject to call options)

10 SHARED DISPOSITIVE POWER

NONE

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

591,862 (including 45,000 shares subject to call options)

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.85%

14 TYPE OF REPORTING PERSON*

00

* SEE INSTRUCTIONS

CUSIP NO. 254067101 SCHEDULE 13D PAGE 4 OF 33 PAGES

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

BARINGTON INVESTMENTS, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [X]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) []

Edgar Filing: DILLARDS INC - Form SC 13D

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

7 SOLE VOTING POWER
341,298 (including 26,200 shares subject to
call options)

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
8 SHARED VOTING POWER
NONE

9 SOLE DISPOSITIVE POWER
341,298 (including 26,200 shares subject to
call options)

10 SHARED DISPOSITIVE POWER
NONE

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON
341,298 (including 26,200 shares subject to call options)

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*
[]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0.49%

14 TYPE OF REPORTING PERSON*
PN

* SEE INSTRUCTIONS

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 5 OF 33 PAGES

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
BARINGTON COMPANIES ADVISORS, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [X]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS*

Edgar Filing: DILLARDS INC - Form SC 13D

00

5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)	[]
6	CITIZENSHIP OR PLACE OF ORGANIZATION DELAWARE	
	7	SOLE VOTING POWER 341,298 (including 26,200 shares subject to call options)
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER NONE
	9	SOLE DISPOSITIVE POWER 341,298 (including 26,200 shares subject to call options)
	10	SHARED DISPOSITIVE POWER NONE
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON 341,298 (including 26,200 shares subject to call options)	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*	[]
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 0.49%	
14	TYPE OF REPORTING PERSON* 00	

* SEE INSTRUCTIONS

CUSIP NO. 254067101 SCHEDULE 13D PAGE 6 OF 33 PAGES

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY) BARINGTON COMPANIES OFFSHORE FUND, LTD.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*	(a) [X]

Edgar Filing: DILLARDS INC - Form SC 13D

(b) []

3	SEC USE ONLY	
---	--------------	--

4	SOURCE OF FUNDS*	
	WC	

5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)	[]
---	---	-----

6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	BRITISH VIRGIN ISLANDS	

	7	SOLE VOTING POWER	
		1,033,209 (including 78,800 shares subject to call options)	

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	
		NONE	
	9	SOLE DISPOSITIVE POWER	
		1,033,209 (including 78,800 shares subject to call options)	

	10	SHARED DISPOSITIVE POWER	
		NONE	

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON	
	1,033,209 (including 78,800 shares subject to call options)	

12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*	[]
----	--	-----

13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	
	1.49%	

14	TYPE OF REPORTING PERSON*	
	OO	

* SEE INSTRUCTIONS

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 7 OF 33 PAGES

Edgar Filing: DILLARDS INC - Form SC 13D

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
	BARINGTON OFFSHORE ADVISORS II, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS*	
	00	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)	[]
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	DELAWARE	
	7	SOLE VOTING POWER
		1,033,209 (including 78,800 shares subject to call options)
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER
		NONE
	9	SOLE DISPOSITIVE POWER
		1,033,209 (including 78,800 shares subject to call options)
	10	SHARED DISPOSITIVE POWER
		NONE
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON	
	1,033,209 (including 78,800 shares subject to call options)	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*	[]
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	
	1.49%	
14	TYPE OF REPORTING PERSON*	
	IA, 00	

* SEE INSTRUCTIONS

Edgar Filing: DILLARDS INC - Form SC 13D

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 8 OF 33 PAGES

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
	BARINGTON CAPITAL GROUP, L.P.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS*	
	00	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)	<input type="checkbox"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	DELAWARE	
	7	SOLE VOTING POWER
		1,966,369 (including 150,000 shares subject to call options)
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER
		NONE
	9	SOLE DISPOSITIVE POWER
		1,966,369 (including 150,000 shares subject to call options)
	10	SHARED DISPOSITIVE POWER
		NONE
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON	
	1,966,369 (including 150,000 shares subject to call options)	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*	<input type="checkbox"/>
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	
	2.83%	

Edgar Filing: DILLARDS INC - Form SC 13D

14 TYPE OF REPORTING PERSON*

PN

* SEE INSTRUCTIONS

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 9 OF 33 PAGES

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

LNA CAPITAL CORP.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

7 SOLE VOTING POWER

1,966,369 (including 150,000 shares subject to
call options)

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

8 SHARED VOTING POWER

NONE

9 SOLE DISPOSITIVE POWER

1,966,369 (including 150,000 shares subject to
call options)

10 SHARED DISPOSITIVE POWER

NONE

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

1,966,369 (including 150,000 shares subject to call options)

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES

Edgar Filing: DILLARDS INC - Form SC 13D

CERTAIN SHARES*

[]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
2.83%

14 TYPE OF REPORTING PERSON*
CO

* SEE INSTRUCTIONS

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 10 OF 33 PAGES

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
JAMES A. MITAROTONDA

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [X]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS*
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION
UNITED STATES

7 SOLE VOTING POWER
1,966,369 (including 150,000 shares subject to
call options)

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

8 SHARED VOTING POWER
NONE

9 SOLE DISPOSITIVE POWER
1,966,369 (including 150,000 shares subject to
call options)

10 SHARED DISPOSITIVE POWER

Edgar Filing: DILLARDS INC - Form SC 13D

NONE

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON
1,966,369 (including 150,000 shares subject to call options)

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES* []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
2.83%

14 TYPE OF REPORTING PERSON*
IN

* SEE INSTRUCTIONS

CUSIP NO. 254067101 SCHEDULE 13D PAGE 11 OF 33 PAGES

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
CLINTON GROUP, INC.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [X]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS*
AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION
DELAWARE

7 SOLE VOTING POWER
-0-

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH
8 SHARED VOTING POWER
1,971,129 (including 787,500 shares subject to call options)

Edgar Filing: DILLARDS INC - Form SC 13D

REPORTING
PERSON WITH

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

1,971,129 (including 787,500 shares subject to
call options)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

1,971,129 (including 787,500 shares subject to call options)

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES*

[]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

2.84%

14 TYPE OF REPORTING PERSON*

IA; CO

* SEE INSTRUCTIONS

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 12 OF 33 PAGES

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

CLINTON MULTISTRATEGY MASTER FUND, LTD.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) [X]

(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

[]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

7 SOLE VOTING POWER

Edgar Filing: DILLARDS INC - Form SC 13D

-0-

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

8	SHARED VOTING POWER
	433,235 (including 129,300 shares subject to call options)

9	SOLE DISPOSITIVE POWER
	-0-

10	SHARED DISPOSITIVE POWER
	433,235 (including 129,300 shares subject to call options)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

433,235 (including 129,300 shares subject to call options)

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.62%

14 TYPE OF REPORTING PERSON*

CO

* SEE INSTRUCTIONS

CUSIP NO.	254067101	SCHEDULE 13D	PAGE 13 OF 33 PAGES
-----------	-----------	--------------	---------------------

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

CLINTON SPECIAL OPPORTUNITIES MASTER FUND, LTD.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

Edgar Filing: DILLARDS INC - Form SC 13D

6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	CAYMAN ISLANDS	
	7	SOLE VOTING POWER
		-0-
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER
		206,913 (including 26,100 shares subject to call options)
	9	SOLE DISPOSITIVE POWER
		-0-
	10	SHARED DISPOSITIVE POWER
		206,913 (including 26,100 shares subject to call options)
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON	
		206,913 (including 26,100 shares subject to call options)
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*	[]
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	
		0.3%
14	TYPE OF REPORTING PERSON*	
		CO

* SEE INSTRUCTIONS

CUSIP NO.	254067101	SCHEDULE 13D	PAGE 14 OF 33 PAGES
-----------	-----------	--------------	---------------------

1	NAME OF REPORTING PERSON	
	I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
	CLINTON MAGNOLIA MASTER FUND, LTD.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*	(a) [X] (b) []
3	SEC USE ONLY	
4	SOURCE OF FUNDS*	

Edgar Filing: DILLARDS INC - Form SC 13D

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

7 SOLE VOTING POWER

-0-

8 SHARED VOTING POWER

1,330,981 (including 632,100 shares subject to
call options)

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

1,330,981 (including 632,100 shares subject to
call options)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

1,330,981 (including 632,100 shares subject to call options)

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES* []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

1.92%

14 TYPE OF REPORTING PERSON*

CO

* SEE INSTRUCTIONS

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 15 OF 33 PAGES

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

GEORGE HALL

Edgar Filing: DILLARDS INC - Form SC 13D

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [X]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

UNITED STATES

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

8 SHARED VOTING POWER

1,971,129 (including 787,500 shares subject to call options)

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

1,971,129 (including 787,500 shares subject to call options)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

1,971,129 (including 787,500 shares subject to call options)

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

2.84%

14 TYPE OF REPORTING PERSON*

IN

* SEE INSTRUCTIONS

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 16 OF 33 PAGES

ITEM 1. SECURITY AND ISSUER.

Edgar Filing: DILLARDS INC - Form SC 13D

This statement on Schedule 13D (the "Statement") relates to the Class A common stock, par value \$0.01 per share (the "Common Stock"), of Dillard's Inc., a Delaware corporation (the "Company"). The principal executive offices of the Company are located at 1600 Cantrell Road, Little Rock, Arkansas 72201.

Item 2. IDENTITY AND BACKGROUND.

(a) - (c) This Statement is being filed by Barington Companies Equity Partners, L.P., Barington Companies Investors, LLC, Barington Investments, L.P., Barington Companies Advisors, LLC, Barington Companies Offshore Fund, Ltd., Barington Offshore Advisors II, LLC, Barington Capital Group, L.P., LNA Capital Corp., James A. Mitarotonda, Clinton Multistrategy Master Fund, Ltd., Clinton Special Opportunities Master Fund, Ltd., Clinton Magnolia Master Fund, Ltd., Clinton Lexington Master Fund, L.P., Clinton Group, Inc. and George E. Hall (each, a "Reporting Entity" and, collectively, the "Reporting Entities").

The Reporting Entities, together with certain other parties, were previously members of a Schedule 13D group as reported in a Schedule 13D filed with the Securities and Exchange Commission (the "SEC") on January 29, 2008. In light of the Agreement that such parties entered into with the Company, dated as of April 1, 2008 (the "Agreement"), described in, and filed as an exhibit to, the Schedule 13D amendment filed with the SEC on April 3, 2008, such parties felt that it was no longer necessary to work together regarding their respective investments in the Company. As a result, such parties determined as of the close of business on May 19, 2008 to make decisions regarding their respective investments in shares of Common Stock independently of each other, and to no longer act together for the purpose of acquiring, holding or disposing of securities of the Company, as reported in the Schedule 13D amendments filed with the SEC on May 20, 2008.

The Reporting Entities have decided to reconstitute their prior group arrangement by entering into a letter agreement, dated September 25, 2008, which letter agreement is described in item 6 to this Schedule 13D and is attached hereto as Exhibit 99.2.

As of September 24, 2008, the Reporting Entities are the beneficial owners of, in the aggregate, 3,937,498 shares of Common Stock, which includes 937,500 shares of Common Stock subject to call options, representing approximately 5.67% of the shares of Common Stock presently outstanding based upon the 69,443,560 shares of Common Stock reported by the Company to be issued and outstanding as of August 30, 2008 in its Form 10-Q for the quarterly period ended August 2, 2008 filed with the SEC on September 11, 2008 (the "Issued and Outstanding Shares").

Barington Companies Equity Partners, L.P. is a Delaware limited partnership. The principal business of Barington Companies Equity Partners, L.P. is acquiring, holding and disposing of investments in various companies. The address of the principal business and principal office of Barington Companies Equity Partners, L.P. is 888 Seventh Avenue, 17th Floor, New York, New York 10019.

Barington Investments, L.P. is a Delaware limited partnership. The principal business of Barington Investments, L.P. is acquiring, holding and disposing of investments in various companies. The address of the principal business and principal office of Barington Investments, L.P. is 888 Seventh Avenue, 17th Floor, New York, New York 10019.

Barington Companies Offshore Fund, Ltd. is an international business company organized under the laws of the British Virgin Islands. The principal business of Barington Companies Offshore Fund, Ltd. is acquiring, holding and disposing of investments in various companies. The address of the principal

Edgar Filing: DILLARDS INC - Form SC 13D

business and principal office of Barington Companies Offshore Fund, Ltd. is c/o Bison Financial Services Limited, Bison Court, Road Town, Tortola, British Virgin Islands. The executive officers and directors of Barington Companies Offshore Fund, Ltd. and their principal occupations and business addresses are set forth on Schedule I and incorporated by reference in this Item 2.

The general partner of Barington Companies Equity Partners, L.P. is Barington Companies Investors, LLC. Barington Companies Investors, LLC is a Delaware limited liability company. The principal business of Barington Companies Investors, LLC is serving as the general partner of Barington Companies Equity Partners, L.P. The address of the principal business and principal office of Barington Companies Investors, LLC is 888 Seventh Avenue, 17th Floor, New York, New York 10019. James A. Mitarotonda is the Managing Member of Barington Companies Investors, LLC.

The general partner of Barington Investments, L.P. is Barington Companies Advisors, LLC. Barington Companies Advisors, LLC is a Delaware limited liability company. The principal business of Barington Companies Advisors, LLC is serving as the general partner of Barington Investments, L.P. The address of the principal business and principal office of Barington Companies Advisors, LLC is 888 Seventh Avenue, 17th Floor, New York, New York 10019. James A. Mitarotonda is the Managing Member of Barington Companies Advisors, LLC.

CUSIP NO. 254067101 SCHEDULE 13D PAGE 17 OF 33 PAGES

The investment advisor of Barington Companies Offshore Fund, Ltd. is Barington Offshore Advisors II, LLC. Barington Offshore Advisors II, LLC is a Delaware limited liability company. The principal business of Barington Offshore Advisors II, LLC is serving as the investment advisor of Barington Companies Offshore Fund, Ltd. The address of the principal business and principal office of Barington Offshore Advisors II, LLC is 888 Seventh Avenue, 17th Floor, New York, New York 10019. James A. Mitarotonda is the Managing Member of Barington Offshore Advisors II, LLC.

Barington Companies Investors, LLC, Barington Companies Advisors, LLC and Barington Offshore Advisors II, LLC are each majority-owned subsidiaries of Barington Capital Group, L.P. Barington Capital Group, L.P. is a New York limited partnership. The principal business of Barington Capital Group, L.P. is acquiring, holding and disposing of investments in various companies. The address of the principal business and principal office of Barington Capital Group, L.P. is 888 Seventh Avenue, 17th Floor, New York, New York 10019.

The general partner of Barington Capital Group, L.P. is LNA Capital Corp. LNA Capital Corp. is a Delaware corporation. The principal business of LNA Capital Corp. is serving as the general partner of Barington Capital Group, L.P. The address of the principal business and principal office of LNA Capital Corp. is c/o Barington Capital Group, L.P., 888 Seventh Avenue, 17th Floor, New York, New York 10019. James A. Mitarotonda is the sole stockholder and director of LNA Capital Corp. The executive officers of LNA Capital Corp. and their principal occupations and business addresses are set forth on Schedule II and incorporated by reference in this Item 2. The principal occupation of Mr. Mitarotonda is serving as the Chairman and Chief Executive Officer of Barington Capital Group, L.P. The business address of Mr. Mitarotonda is c/o Barington Capital Group, L.P., 888 Seventh Avenue, 17th Floor, New York, New York 10019.

Clinton Multistrategy Master Fund, Ltd. is a Cayman Islands company. The principal business of Clinton Multistrategy Master Fund, Ltd. is to invest in securities. The address of the principal business and principal office of Clinton Multistrategy Master Fund, Ltd. is c/o Fortis Fund Services (Cayman)

Edgar Filing: DILLARDS INC - Form SC 13D

Limited, P.O. Box 2003 GT, Grand Pavilion Commercial Centre, 802 West Bay Road, Grand Cayman, Cayman Islands. The directors of Clinton Multistrategy Master Fund, Ltd. and their principal occupations and business addresses are set forth on Schedule III and incorporated by reference in this Item 2. Clinton Multistrategy Master Fund, Ltd. has no executive officers.

Clinton Special Opportunities Master Fund, Ltd. is a Cayman Islands company. The principal business of Clinton Special Opportunities Master Fund, Ltd. is to invest in securities. The address of the principal business and principal office of Clinton Special Opportunities Master Fund, Ltd. is c/o Fortis Fund Services (Cayman) Limited, P.O. Box 2003 GT, Grand Pavilion Commercial Centre, 802 West Bay Road, Grand Cayman, Cayman Islands. The directors of Clinton Special Opportunities Master Fund, Ltd. and their principal occupations and business addresses are set forth on Schedule IV and incorporated by reference in this Item 2. Clinton Special Opportunities Master Fund, Ltd. has no executive officers.

Clinton Magnolia Master Fund, Ltd. is a Cayman Islands exempted company. The principal business of Clinton Magnolia Master Fund, Ltd. is to invest in securities. The address of the principal business and principal office of Clinton Magnolia Master Fund, Ltd. is c/o Fortis Fund Services (Cayman) Limited, P.O. Box 2003GT, Grand Pavilion Commercial Centre, 802 West Bay Road, Grand Cayman, Cayman Islands. The directors of Clinton Magnolia Master Fund, Ltd. and their principal occupations and business addresses are set forth on Schedule V and incorporated by reference in this Item 2. Clinton Magnolia Master Fund, Ltd. has no executive officers.

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 18 OF 33 PAGES

The investment manager of Clinton Multistrategy Master Fund, Ltd., Clinton Special Opportunities Master Fund, Ltd., and Clinton Magnolia Master Fund, Ltd., is Clinton Group, Inc. Clinton Group, Inc. is a Delaware corporation. The principal business of Clinton Group, Inc. is investing for funds and accounts under its management. The address of the principal business and principal office of Clinton Group, Inc. is 9 West 57th Street, 26th Floor, New York, New York 10019. Mr. Hall is the Chief Investment Officer and President of Clinton Group, Inc. The business address of Mr. Hall is set forth above. The executive officers and directors of Clinton Group, Inc. and their principal occupations and business addresses are set forth on Schedule VI and incorporated by reference in this Item 2.

The Reporting Entities do not believe that certain of the foregoing information is called for by the Items of Schedule 13D and are disclosing it for supplemental informational purposes only. Information with respect to each of the Reporting Entities is given solely by such Reporting Entity and no Reporting Entity shall have responsibility for the accuracy or completeness of information supplied by another Reporting Entity.

(d) - (e) During the last five years, none of the Reporting Entities or any other person identified in response to this Item 2 was convicted in a criminal proceeding (excluding traffic violations and similar misdemeanors) or was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Each natural person identified in Item 2 is a citizen of the United

Edgar Filing: DILLARDS INC - Form SC 13D

States, other than Graham Cook, a director of Barington Companies Offshore Fund, Ltd., who is a citizen of the United Kingdom, Jonathan Clipper, a director of Barington Companies Offshore Fund, Ltd., who is a citizen of Bermuda and the United Kingdom, Jane Fleming, a director of Clinton Multistrategy Master Fund, Ltd., who is a citizen of the United Kingdom, Dennis Hunter, a director of Clinton Multistrategy Master Fund, Ltd. and Clinton Special Opportunities Master Fund, Ltd., who is a citizen of the United Kingdom, Roger Hanson, a director of Clinton Multistrategy Master Fund, Ltd. and Clinton Special Opportunities Master Fund, Ltd., who is a citizen of the United Kingdom, Blair Gauld, a director of Clinton Multistrategy Master Fund, Ltd., who is a citizen of New Zealand Cassandra Powell, a director of Clinton Special Opportunities Master Fund, Ltd., who is a citizen of the Cayman Islands, and Sasha Castle, the Assistant Secretary of Barington Companies Offshore Fund, Ltd., who is a citizen of Bermuda.

Item 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

All of the purchases of Common Stock and presently exercisable American-style call options by the Reporting Entities were funded by working capital, which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business. The amount of funds expended for purchases of Common Stock reported herein was approximately \$40,109,913.73 by Barington Companies Equity Partners, L.P., \$67,440,283.84 by Barington Companies Offshore Fund Ltd., \$26,076,771.18 by Barington Investments, L.P., \$3,746,386 by Clinton Multistrategy Master Fund, Ltd., \$2,164,977 by Clinton Special Opportunities Master Fund, Ltd., and \$9,270,829 by Clinton Magnolia Master Fund, Ltd. The amount of funds expended for purchases of presently exercisable call options to acquire Common Stock reported herein was approximately \$54,987.00 by Barington Companies Equity Partners, L.P., \$32,035.96 by Barington Investments, L.P., \$96,267.04 by Barington Companies Offshore Fund, Ltd., \$134,264 by Clinton Multistrategy Master Fund, Ltd., \$70,680 by Clinton Special Opportunities Master Fund, Ltd., and \$885,240 by Clinton Magnolia Master Fund, Ltd.

CUSIP NO. 254067101 SCHEDULE 13D PAGE 19 OF 33 PAGES

Item 4. PURPOSE OF TRANSACTION.

On September 25, 2008, George E. Hall, Chairman and Chief Executive Officer of Clinton Group, Inc., and James A. Mitarotonda, Chairman and Chief Executive Officer of Barington Capital Group, L.P., delivered a letter (the "September 2008 Letter") to the board of directors of the Company (the "Board") recommending that the Issuer repurchase all of the Issuer's outstanding shares of Class B common stock at a price to be determined, and that a committee of independent directors be established to consider the repurchase and to advise the Board on the appropriate premium above the trading price of the Class A common stock to be offered for such Class B shares. The Reporting Persons believe that the repurchase of the Class B shares, which provide Class B shareholders with the ability to elect 2/3 of the members of the Board, and the resulting creation of a more customary governance structure, would significantly benefit the Issuer and all of its shareholders.

The September 2008 Letter also urges the Issuer to call a Special Meeting of Shareholders as soon as possible to authorize the Issuer to effect the repurchase described above. If the repurchase of the Class B shares is endorsed by the shareholders and accepted by the holders of Class B shares, the September 2008 Letter further urges the Board to take whatever steps are necessary to create a Board that is more representative of a single class of public shareholders, including possibly expanding the size of the Board. A copy

Edgar Filing: DILLARDS INC - Form SC 13D

of the September 2008 Letter is attached hereto at Exhibit 99.1 and is incorporated herein by reference.

The Reporting Entities have entered into a Letter Agreement, dated September 25, 2008, which Agreement is described in Item 6 of this Schedule 13D and is attached hereto as Exhibit 99.2.

Except as set forth in this Item 4, none of the Reporting Entities has any present plans or proposals that relate to or would result in any of the actions specified in clauses (a) through (j) of the instructions to Item 4 of Schedule 13D. The Reporting Entities intend to review their investment in the Company on a continuing basis. Depending on various factors including, without limitation, the willingness of the Company's management team and Board of Directors to implement the suggestions of the Reporting Entities, the Company's financial position and business strategy, the price levels of the shares of Common Stock, other investment opportunities available to the Reporting Entities, conditions in the securities markets and general economic and industry conditions, the Reporting Entities may in the future take such actions with respect to their investment in the Company as they deem appropriate including, without limitation, seeking Board representation, making proposals to the Company concerning changes to the capitalization, ownership structure, management or operations of the Company, purchasing additional shares of Common Stock, selling some or all of their shares of Common Stock, engaging in short selling of or any hedging or similar transactions with respect to the Common Stock and/or otherwise changing their intention with respect to any and all matters referred to in clauses (a) through (3) of the instructions to Item 4 of Schedule 13D.

Item 5. INTEREST IN SECURITIES OF THE ISSUER.

(a) - (b) As of September 24, 2008, Barington Companies Equity Partners, L.P. beneficially owned an aggregate of 591,862 shares of Common Stock, which includes 45,000 shares of Common Stock subject to call options, representing approximately 0.85% of the Issued and Outstanding Shares. As of September 24, 2008, Barington Investments, L.P. beneficially owned 341,298 shares of Common Stock, which includes 26,200 shares of Common Stock subject to call options, representing approximately 0.49% of the Issued and Outstanding Shares. As of September 24, 2008, Barington Companies Offshore Fund, Ltd. beneficially owned 1,033,209 shares of Common Stock, which includes 78,800 shares of Common Stock subject to call options, representing approximately 1.49% of the Issued and Outstanding Shares. As the general partner of Barington Companies Equity Partners, L.P., Barington Companies Investors, LLC may be deemed to beneficially own the 591,862 shares of Common Stock beneficially owned by Barington Companies Equity Partners, L.P., which includes 45,000 shares of Common Stock subject to call options, representing approximately 0.85% of the Issued and Outstanding Shares. As the general partner of Barington Investments, L.P., Barington Companies Advisors, LLC may be deemed to beneficially own the 341,298 shares of Common Stock beneficially owned by Barington Investments, L.P., which includes 26,200 shares of Common Stock subject to call options, representing approximately 0.49% of the Issued and Outstanding Shares. As the investment advisor to Barington Companies Offshore Fund, Ltd., Barington Offshore Advisors II, LLC may be deemed to beneficially own the 1,033,209 shares of Common Stock beneficially owned by Barington Companies Offshore Fund, Ltd., which includes 78,800 shares of Common Stock subject to call options, representing approximately 1.49% of the Issued and Outstanding Shares. As the majority member of Barington Companies Investors, LLC, Barington Companies Advisors, LLC and Barington Offshore Advisors II, LLC, Barington Capital Group, L.P. may be deemed to beneficially own the 591,862 shares of Common Stock beneficially owned by Barington Companies Equity Partners, L.P., the 341,298 shares of Common Stock beneficially owned by Barington Investments, L.P. and the 1,033,209 shares of Common Stock beneficially owned by Barington Companies Offshore Fund, Ltd., constituting an aggregate of 1,966,369 shares of Common Stock, including an

Edgar Filing: DILLARDS INC - Form SC 13D

aggregate of 150,000 shares of Common Stock subject to call options, representing approximately 2.83% of the Issued and Outstanding Shares. As the general partner of Barington Capital Group, L.P., LNA Capital Corp. may be deemed to beneficially own the 591,862 shares of Common Stock beneficially owned by Barington Companies Equity Partners, L.P., the 341,298 shares of Common Stock beneficially owned by Barington Investments, L.P. and the 1,033,209 shares of Common Stock beneficially owned by Barington Companies Offshore Fund, Ltd., constituting an aggregate of 1,966,369 shares of Common Stock, including an aggregate of 150,000 shares of Common Stock subject to call options, representing approximately 2.83% of the Issued and Outstanding Shares. As the sole stockholder and director of LNA Capital Corp., James A. Mitarotonda may be deemed to beneficially own the 591,862 shares of Common Stock beneficially owned by Barington Companies Equity Partners, L.P., the 341,298 shares of Common Stock beneficially owned by Barington Investments, L.P. and the 1,033,209 shares of Common Stock beneficially owned by Barington Companies Offshore Fund, Ltd., constituting an aggregate of 1,966,369 shares of Common Stock, including an aggregate of 150,000 shares of Common Stock subject to call options, representing approximately 2.83% of the Issued and Outstanding Shares. Mr. Mitarotonda has sole voting and dispositive power with respect to the 591,862 shares of Common Stock beneficially owned by Barington Companies Equity Partners, L.P., which includes 45,000 shares of Common Stock subject to call options, the 341,298 shares of Common Stock beneficially owned by Barington Investments, L.P., which includes 26,200 shares of Common Stock subject to call options, and the 1,033,209 shares of Common Stock beneficially owned by Barington Companies Offshore Fund, Ltd., which includes 78,800 shares of Common Stock subject to call options. Mr. Mitarotonda disclaims beneficial ownership of any such shares except to the extent of his pecuniary interest therein.

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 20 OF 33 PAGES

As of September 24, 2008, Clinton Multistrategy Master Fund, Ltd. beneficially owned an aggregate of 433,235 shares of Common Stock, which includes 129,300 shares of Common Stock subject to call options, representing approximately 0.62% of the Issued and Outstanding Shares. As of September 24, 2008, Clinton Special Opportunities Master Fund, Ltd. beneficially owned an aggregate of 206,913 shares of Common Stock, which includes 26,100 shares of Common Stock subject to call options, representing approximately 0.3% of the Issued and Outstanding Shares. As of September 24, 2008, Clinton Magnolia Master Fund, Ltd. beneficially owned an aggregate of 1,330,981 shares of Common Stock, which includes 129,300 shares of Common Stock subject to call options, representing approximately 1.92 % of the Issued and Outstanding Shares. By virtue of investment management agreements with each of Clinton Multistrategy Master Fund, Ltd., Clinton Special Opportunities Master Fund, Ltd. and Clinton Magnolia Master Fund, Ltd., Clinton Group, Inc. may be deemed to beneficially own the 433,235 shares of Common Stock beneficially owned by Clinton Multistrategy Master Fund, Ltd., the 206,913 shares of Common Stock beneficially owned by Clinton Special Opportunities Master Fund, Ltd. and the 1,330,981 shares of Common Stock beneficially owned by Clinton Magnolia Master Fund, Ltd., constituting an aggregate of 1,971,129 shares of Common Stock, including an aggregate of 787,500 shares of Common Stock subject to call options, representing approximately 2.84% of the Issued and Outstanding Shares. By virtue of his direct and indirect control of Clinton Group, Inc., Mr. Hall may be deemed to beneficially own the 433,235 shares of Common Stock beneficially owned by Clinton Multistrategy Master Fund, Ltd., the 206,913 shares of Common Stock beneficially owned by Clinton Special Opportunities Master Fund, Ltd., and the 1,330,981 shares of Common Stock beneficially owned by Clinton Magnolia Master Fund, Ltd., constituting an aggregate of 1,971,129 shares of Common Stock, including an aggregate of 787,500 shares of Common Stock subject to call

Edgar Filing: DILLARDS INC - Form SC 13D

options, representing approximately 2.84% of the Issued and Outstanding Shares. By virtue of investment management agreements with each of Clinton Multistrategy Master Fund, Ltd., Clinton Special Opportunities Master Fund, Ltd. and Clinton Magnolia Master Fund, Ltd., Clinton Group, Inc. has the power to vote or direct the voting, and to dispose or direct the disposition, of the 433,235 shares of Common Stock beneficially owned by Clinton Multistrategy Master Fund, Ltd., the 206,913 shares of Common Stock beneficially owned by Clinton Special Opportunities Master Fund, Ltd. and the 1,330,981 shares of Common Stock beneficially owned by Clinton Magnolia Master Fund, Ltd. By virtue of his direct and indirect control of Clinton Group, Inc., Mr. Hall is deemed to have shared voting power and shared dispositive power with respect to all shares of Common Stock as to which Clinton Group, Inc. has voting power or dispositive power. Accordingly, Clinton Group, Inc. and Mr. Hall are deemed to have shared voting and shared dispositive power with respect to the 433,235 shares of Common Stock beneficially owned by Clinton Multistrategy Master Fund, Ltd., the 206,913 shares of Common Stock beneficially owned by Clinton Special Opportunities Master Fund, Ltd. and the 1,330,981 shares of Common Stock beneficially owned by Clinton Magnolia Master Fund, Ltd.

Except to the extent expressly stated herein, each Reporting Entity disclaims beneficial ownership of any shares of Common Stock beneficially owned by any other Reporting Entity.

The Reporting Entities do not believe that certain of the foregoing information is called for by the Items of Schedule 13D and are disclosing such information for supplemental informational purposes only. Information with respect to each of the Reporting Entities is given solely by such Reporting Entity and no Reporting Entity shall have responsibility for the accuracy or completeness of information supplied by another Reporting Entity.

(c) Information concerning all transactions in shares of Common Stock effected by the Reporting Entities during the last sixty days is set forth in the Schedule VII attached hereto and incorporated herein by reference.

(d) Not applicable.

(e) Not applicable.

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 21 OF 33 PAGES

Item 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDING OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

The Reporting Entities have entered into a Letter Agreement dated September 25, 2008, regarding certain conduct of the Reporting Entities. The Letter Agreement includes, but is not limited to, an agreement by the parties to (i) consult with each other with respect to all purchases and sales of Common Stock, (ii) share expenses incurred in connection with the Reporting Entities' activities, and (iii) jointly approve any filing with the SEC, press release or stockholder communication. Any party to the Letter Agreement may terminate his/its obligations under the Letter Agreement on 24 hours' written notice to all other parties. A copy of the Letter Agreement is attached hereto as Exhibit 99.2 and is incorporated by reference herein.

Barington Companies Advisors, LLC is compensated for its services as the general partner of Barington Investments, L.P. by an affiliate of Millennium Partners, L.P., the limited partner of Barington Investments, L.P., pursuant to a separate agreement.

Edgar Filing: DILLARDS INC - Form SC 13D

Certain of the Reporting Entities have entered into, and may, from time to time, enter into in the future, certain publicly traded, American-style call and put option market contracts with unrelated third parties. As of September 24, 2008, Barington Companies Equity Partners, L.P., Barington Investments, L.P. and Barington Companies Offshore Fund, Ltd. beneficially owned 45,000, 26,200 and 78,800 shares of Common Stock, respectively, pursuant to American-style call options with strike prices ranging from \$12.50 to \$15.00 and expiration dates ranging from October 18, 2008 to November 22, 2008. As of September 24, 2008, Clinton Multistrategy Master Fund, Ltd., Clinton Special Opportunities Master Fund, Ltd., and Clinton Magnolia Master Fund, Ltd. beneficially owned 129,300, 26,100 and 632,100 shares of Common Stock, respectively, pursuant to American-style call options with strike prices ranging from \$7.50 to \$15.00 and expiration dates ranging from October 18, 2008 to February 21, 2009.

Certain of the Reporting Entities may, from time to time, enter into and dispose of cash-settled equity swap or other similar transactions with one or more counterparties, which transactions may be significant in amount. The profit, loss and/or return on such contracts may be wholly or partially dependent on the market value of the Common Stock.

The Reporting Entities are parties to an agreement with respect to the joint filing of this Statement and any amendments thereto. A copy of such agreement is attached hereto as Exhibit 99.3 and is incorporated by reference herein.

Except as otherwise set forth herein, the Reporting Entities do not have any contract, arrangement, understanding or relationship with any person with respect to the securities of the Company.

The Reporting Entities do not believe that certain of the foregoing information is called for by the Items of Schedule 13D and are disclosing such information for supplemental informational purposes only. Information with respect to each of the Reporting Entities is given solely by such Reporting Entity and no Reporting Entity shall have responsibility for the accuracy or completeness of information supplied by another Reporting Entity.

Item 7. MATERIAL TO BE FILED AS EXHIBITS.

99.1 September 2008 Letter, dated September 25, 2008.

99.2 Letter Agreement among Barington Companies Equity Partners, L.P., Barington Companies Investors, LLC, Barington Investments, L.P., Barington Companies Advisors, LLC, Barington Companies Offshore Fund, Ltd., Barington Offshore Advisors II, LLC, Barington Capital Group, L.P., LNA Capital Corp., James A. Mitarotonda, Clinton Multistrategy Master Fund, Ltd., Clinton Special Opportunities Master Fund, Ltd., Clinton Magnolia Master Fund, Ltd., Clinton Lexington Master Fund, L.P., Clinton Group, Inc. and George E. Hall dated September 25, 2008.

99.3 Joint Filing Agreement, dated September 25, 2008.

SIGNATURES

Edgar Filing: DILLARDS INC - Form SC 13D

After reasonable inquiry and to the best knowledge and belief of the undersigned, the undersigned certify that the information set forth in this Statement is true, complete and correct.

Dated: September 25, 2008

BARINGTON COMPANIES EQUITY PARTNERS, L.P.
By: Barington Companies Investors, LLC,
its general partner

By: /s/ James A. Mitarotonda

Name: James A. Mitarotonda
Title: Managing Member

BARINGTON COMPANIES INVESTORS, LLC

By: /s/ James A. Mitarotonda

Name: James A. Mitarotonda
Title: Managing Member

BARINGTON INVESTMENTS, L.P.

By: Barington Companies Advisors, LLC,
its general partner

By: /s/ James A. Mitarotonda

Name: James A. Mitarotonda
Title: Managing Member

BARINGTON COMPANIES ADVISORS, LLC

By: /s/ James A. Mitarotonda

Name: James A. Mitarotonda
Title: Managing Member

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 23 OF 33 PAGES

BARINGTON COMPANIES OFFSHORE FUND, LTD.

By: /s/ James A. Mitarotonda

Name: James A. Mitarotonda
Title: Authorized Signatory

Edgar Filing: DILLARDS INC - Form SC 13D

BARINGTON OFFSHORE ADVISORS II, LLC

By: /s/ James A. Mitarotonda

Name: James A. Mitarotonda
Title: Managing Member

BARINGTON CAPITAL GROUP, L.P.

By: LNA Capital Corp.,
its general partner

By: /s/ James A. Mitarotonda

Name: James A. Mitarotonda
Title: President and CEO

LNA CAPITAL CORP.

By: /s/ James A. Mitarotonda

Name: James A. Mitarotonda
Title: President and CEO

/s/ James A. Mitarotonda

James A. Mitarotonda

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 24 OF 33 PAGES

CLINTON MULTISTRATEGY MASTER FUND, LTD.

By: Clinton Group, Inc.,
its investment manager

By: /s/ Francis Ruchalski

Name: Francis Ruchalski
Title: Chief Financial Officer

CLINTON SPECIAL OPPORTUNITIES MASTER
FUND, LTD.

By: Clinton Group, Inc.,
its investment manager

By: /s/ Francis Ruchalski

Name: Francis Ruchalski
Title: Chief Financial Officer

CLINTON MAGNOLIA MASTER FUND, LTD.

Edgar Filing: DILLARDS INC - Form SC 13D

By: Clinton Group, Inc.,
its investment manager

By: /s/ Francis Ruchalski

Name: Francis Ruchalski
Title: Chief Financial Officer

CLINTON GROUP, INC.

By: /s/ Francis Ruchalski

Name: Francis Ruchalski
Title: Chief Financial Officer

/s/ George E. Hall

George E. Hall

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 25 OF 33 PAGES

SCHEDULE I

Directors and Officers of Barington Companies Offshore Fund, Ltd.

Name and Position	Principal Occupation	Principal Business Address
Sebastian E. Cassetta Director and Treasurer	Senior Managing Director and Chief Operating Officer of Barington Capital Group, L.P.	888 Seventh Avenue 17th Floor New York, NY 10019
Jonathan Clipper Director	Managing Director of Bedford Management Ltd	7 Reid Street, Suite Hamilton HM11, Bermuda
Graham Cook Director	Director/Manager, Corporate Services of Bison Financial Services, Ltd.	Bison Court P.O. Box 3460 Road Town, Tortola British Virgin Island
Citigroup Fund Services, Ltd. Secretary	Fund Administration	Washington Mall 1, 3rd 22 Church Street Hamilton HM11, Bermuda
Sasha Castle Assistant Secretary	Asst. Vice President, Corporate Dept. of Citigroup Fund Services (Bermuda) Ltd.	Washington Mall 1, 3rd Reid Street Hamilton HM11, Bermuda

Edgar Filing: DILLARDS INC - Form SC 13D

 CUSIP NO. 254067101

SCHEDULE 13D

 PAGE 26 OF 32 PAGES

SCHEDULE II

Officers of LNA Capital Corp.

Name and Position	Principal Occupation	Principal Business Address
James A. Mitarotonda President and CEO	Chairman and Chief Executive Officer of Barington Capital Group, L.P.	888 Seventh Avenue 17th Floor New York, NY 10019
Sebastian E. Cassetta Secretary and Treasurer	Senior Managing Director and Chief Operating Officer of Barington Capital Group, L.P.	888 Seventh Avenue 17th Floor New York, NY 10019

 CUSIP NO. 254067101

SCHEDULE 13D

 PAGE 27 OF 33 PAGES

SCHEDULE III

Directors of Clinton Multistrategy Master Fund, Ltd.

Name and Position	Principal Occupation	Principal Business Address
Jane Fleming Director	Client Accountant of Queensgate Bank & Trust Company Ltd.	Queensgate Bank & Trust Company Ltd. Harbour Place, 5th Floor 103 South Church Street P.O. Box 30464 SMB Grand Cayman, Cayman Islands
Dennis Hunter Director	Director of Queensgate Bank & Trust Company Ltd.	Queensgate Bank & Trust Company Ltd. Harbour Place, 5th Floor 103 South Church Street P.O. Box 30464 SMB Grand Cayman, Cayman Islands

Edgar Filing: DILLARDS INC - Form SC 13D

Roger Hanson Director	Director of dms Management Ltd.	dms Management Ltd. P.O. Box 31910 SMB Ansbacher House 20 Genesis Close Grand Cayman, Cayman
Blair Gauld Director	Director of Queensgate Bank & Trust Company Ltd.	Queensgate Bank & Tru Company Ltd. Harbour Place, 5th FL 103 South Church Stre P.O. Box 30464 SMB Grand Cayman, Cayman

----- CUSIP NO. 254067101 -----	SCHEDULE 13D	----- PAGE 28 OF 33 PAGES -----
---------------------------------------	--------------	---------------------------------------

SCHEDULE IV

Directors of Clinton Special Opportunities Master Fund, Ltd.

Name and Position	Principal Occupation	Principal Business Ad
-----	-----	-----
Dennis Hunter Director	Director of Queensgate Bank & Trust Company Ltd.	Queensgate Bank & Tru Company Ltd. Harbour Place, 5th FL 103 South Church Stre P.O. Box 30464 SMB Grand Cayman, Cayman
Roger Hanson Director	Director of dms Management Ltd.	dms Management Ltd. P.O. Box 31910 SMB Ansbacher House 20 Genesis Close Grand Cayman, Cayman
Cassandra Powell Director	Senior Manager of Queensgate Bank & Trust Company Ltd.	Queensgate Bank & Tru Company Ltd. Harbour Place, 5th FL 103 South Church Stre P.O. Box 30464 SMB Grand Cayman, Cayman

----- CUSIP NO. 254067101 -----	SCHEDULE 13D	----- PAGE 29 OF 33 PAGES -----
---------------------------------------	--------------	---------------------------------------

Edgar Filing: DILLARDS INC - Form SC 13D

SCHEDULE V

Directors of Clinton Magnolia Master Fund, Ltd.

Name and Position	Principal Occupation	Principal Business Address
Jane Fleming Director	Client Accountant of Queensgate Bank & Trust Company Ltd.	Queensgate Bank & Trust Company Ltd. Harbour Place, 5th Floor 103 South Church Street P.O. Box 30464 SMB Grand Cayman, Cayman Islands
Dennis Hunter Director	Director of Queensgate Bank & Trust Company Ltd.	Queensgate Bank & Trust Company Ltd. Harbour Place, 5th Floor 103 South Church Street P.O. Box 30464 SMB Grand Cayman, Cayman Islands
Roger Hanson Director	Director of dms Management Ltd.	dms Management Ltd. P.O. Box 31910 SMB Ansbacher House 20 Genesis Close Grand Cayman, Cayman Islands

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 30 OF 33 PAGES

SCHEDULE VI

Directors and Executive Officers of Clinton Group, Inc.

Name and Position	Principal Occupation	Principal Business Address
George E. Hall	Director and President of Clinton Group, Inc.	9 West 57th Street 26th Floor New York, NY 10019
Francis A. Ruchalski	Director and Chief Financial Officer of Clinton Group, Inc.	9 West 57th Street 26th Floor New York, NY 10019
Wendy Ruberti	General Counsel and Assistant Secretary of Clinton Group, Inc.	9 West 57th Street 26th Floor New York, NY 10019

Edgar Filing: DILLARDS INC - Form SC 13D

John L. Hall

Director of Clinton Group, Inc.

9 West 57th Street
26th Floor
New York, NY 10019

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 31 OF 33 PAGES

SCHEDULE VII

This schedule sets forth information with respect to each purchase and sale of Common Stock which were effectuated by a Reporting Entity during the past 60 days. All transactions were effectuated in the open market through a broker.

Barington Companies Equity Partners, L.P.

DATE OF TRADE	SHARES PURCHASED (SOLD)	PRICE PER SHARE
8/15/2008	(1,500)	20.0000
8/18/2008	(7,525)	12.3257

Barington Investments, L.P.

DATE OF TRADE	SHARES PURCHASED (SOLD)	PRICE PER SHARE
8/15/2008	(1,000)	20.0000
8/18/2008	(4,350)	12.3257

Barington Companies Offshore Fund, Ltd.

DATE OF TRADE	SHARES PURCHASED (SOLD)	PRICE PER SHARE
8/15/2008	(2,500)	20.0000
8/18/2008	(13,125)	12.3257

CUSIP NO. 254067101

SCHEDULE 13D

PAGE 32 OF 33 PAGES

Clinton Magnolia Master Fund, Ltd.

DATE OF TRADE	SHARES PURCHASED (SOLD)	PRICE PER SHARE
7/30/2008	4,000	\$ 9.95
7/30/2008	15,000	10.67
8/11/2008	2,600	11.00
8/12/2008	(65,500)	11.76
8/26/2008	43,500	11.25

Edgar Filing: DILLARDS INC - Form SC 13D

8/29/2008	15,000	12.36
9/2/2008	41,100	13.56
9/3/2008	5,000	13.39
9/3/2008	25,000	13.50
9/4/2008	37,100	13.33
9/8/2008	12,000	14.36
9/8/2008	(15,000)	14.27
9/9/2008	65,000	15.14
9/12/2008	150,000	12.92
9/15/2008	33,900	11.98
9/17/2008	40,434	11.93
9/17/2008	45,720	11.95
9/19/2008	50,000	14.03
9/19/2008	(258,500)	12.50

 CUSIP NO. 254067101

SCHEDULE 13D

 PAGE 33 OF 33 PAGES

Clinton Multistrategy Master Fund, Ltd.

DATE OF TRADE	SHARES PURCHASED (SOLD)	PRICE PER SHARE
7/30/2008	4,000	\$ 9.95
7/30/2008	15,000	10.67
8/12/2008	(149,500)	11.76
8/29/2008	15,000	12.36
9/8/2008	8,000	14.36
9/8/2008	(10,000)	14.27
9/17/2008	53,340	11.95
9/17/2008	47,173	11.93
9/18/2008	15,100	12.57
9/19/2008	(37,500)	12.50

Clinton Special Opportunities Master Fund,
 Ltd.

DATE OF TRADE	SHARES PURCHASED (SOLD)	PRICE PER SHARE
9/16/2008	45,000	\$12.14
9/16/2008	47,000	12.19
9/17/2008	47,173	11.93
9/17/2008	53,340	11.95
9/18/2008	62,500	11.75
9/19/2008	(74,200)	12.50