

BRENNAN JOSEPH P  
 Form 4  
 December 12, 2005

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL  
 OMB Number: 3235-0287  
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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 \*  
**BRENNAN JOSEPH P**

2. Issuer Name and Ticker or Trading Symbol  
**DILLARDS INC [DDS]**

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
**1600 CANTRELL ROAD**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**12/08/2005**

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
**Vice President, President STL**

**LITTLE ROCK, AR 72201**  
 (City) (State) (Zip)

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

**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  | (D)  | Price   |
| Common Class A                   | 12/08/2005                           |  | M                              |   | 40,000  | A  | \$ 18.125   |
| Common Class A                   | 12/08/2005                           |  | S                              |   | 40,000  | A  | \$ 23.8   |
| Common Class A - Retirement Plan |                                      |  |                                |   |   |  | 8,848   |

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

Persons who respond to the collection of information contained in this form are not SEC 1474 (9-02)

required to respond unless the form displays a currently valid OMB control number.

**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 Securities (Instr. 3 and 4) |                |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title          | Amount or Number of Shares |
| Employee Stock Option                      | \$ 18.125  | 12/08/2005                           | 12/08/2005   | M                              | 40,000  | 12/10/1999   | 12/10/2006  | Common Class A | 40,000                     |

## Reporting Owners

| Reporting Owner Name / Address                                  | Relationships |           |                               |       |
|---|---------------|-----------|-------------------------------|-------|
|   | Director      | 10% Owner | Officer                       | Other |
| BRENNAN JOSEPH P<br>1600 CANTRELL ROAD<br>LITTLE ROCK, AR 72201 |               |           | Vice President, President STL |       |

## Signatures

/s/ Joseph P. Brennan  
12/09/2005

\*\*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) Total includes 1,093 shares of Class A acquired under 401(k) Plan Exempt Under Rule 16b-3(c).

### Remarks:

8,848 shares Class A Retirement Plan

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.