

KIRKLAND'S, INC  
Form 424B3  
September 22, 2008

Filed pursuant to Rule 424(b)(3)  
Registration No. 333-152165

**KIRKLAND S, INC.**  
**COMMON STOCK**  
**PROSPECTUS SUPPLEMENT DATED SEPTEMBER 22, 2008**  
**(To Prospectus dated July 7, 2008)**

**The following information updates and amends the Prospectus dated July 7, 2008 (the Prospectus ) and should be read in conjunction therewith. Terms not defined herein shall have the same meaning as in the Prospectus.**

The purpose of the Prospectus is to permit the selling shareholders or their pledgees, donees, other transferees selling shares received from the named selling shareholders, or other successors in interest to offer for sale or to sell shares of common stock covered by the Prospectus at such time and at such prices as they, in their sole discretion, choose. The selling shareholders listed in the Prospectus have transferred all of the shares of Common Stock registered for sale under the Prospectus to the transferees set forth below in private transactions, and such transferees are hereby substituted as selling shareholders under the Prospectus:

Transfers from (1) Advent Direct Investment Program Limited Partnership, (2) Advent Partners Limited Partnership, and (3) Global Private Equity Group II Limited Partnership:

| Transferee   | Number of Shares<br>Acquired |
|--|------------------------------|
| Robert E. Alderson<br>President, Chief Executive Officer and Director  | 200,000                      |
| Carl Kirkland<br>Director  | 2,256,032                    |
| W. Michael Madden<br>Senior Vice President and Chief Financial Officer | 10,000                       |
| Ralph T. Parks<br>Director   | 75,000                       |
| Murray M. Spain<br>Director  | 100,000                      |

The information and table set forth under the caption Selling Shareholders contained in the Prospectus is hereby amended and replaced by the following:

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**SELLING SHAREHOLDERS**

The following table sets forth information with respect to the beneficial ownership of our common stock as of September 22, 2008, by each of the selling shareholders and the maximum number of shares that may be sold hereunder.

Beneficial ownership is determined in accordance with the rules of the SEC, and is based upon information provided by each respective selling shareholder, Forms 4, Schedules 13D and 13G and other public documents filed with the SEC. The number representing the number of shares of common stock beneficially owned prior to the offering for each selling shareholder includes all options or other derivative securities which are exercisable within 60 days of September 22, 2008. The percentages of shares owned after the offering are based on 19,614,657 shares of our common stock outstanding as of September 22, 2008, which includes the outstanding shares of common stock offered by this prospectus.

Unless otherwise indicated below, to our knowledge, all persons named in this table have sole voting and investment power with respect to their shares of common stock, except to the extent authority is shared by spouses under applicable law. The inclusion of any shares in this table does not constitute an admission of beneficial ownership for the person named below.

The following table sets forth, to our knowledge, information about the selling shareholders as of September 22, 2008.

| Name of Selling Shareholders | Number of<br>Shares of<br>Common<br>Stock<br>Beneficially<br>Owned<br>Prior to<br>the<br>Offering<br>(1) | Number<br>of<br>Shares of<br>Common<br>Stock<br>Registered<br>for Sale<br>Hereby | Shares<br>Beneficially Owned<br>After Offering |         |
|------------------------------|--|--|--|---------|
|                              |  |  | Number<br>(1)                                  | Percent |
| Robert E. Alderson           | 1,010,939 (2)  | 200,000  | 819,939 (2)                                    | 4.1%    |
| Carl Kirkland                | 4,802,862 (3)  | 2,256,032  | 2,546,830 (3)                                  | 13.0%   |
| W. Michael Madden            | 88,794   | 10,000   | 78,794   | *       |
| Ralph T. Parks               | 97,500   | 75,000   | 22,500   | *       |
| Murray M. Spain              | 150,000  | 100,000  | 50,000   | *       |

(1) Includes options to purchase the following number of shares of common stock held by the Selling Shareholders: 174,957 held by Robert E. Alderson; 15,000 held by Carl Kirkland;

48,300 held by  
W. Michael  
Madden; 22,500  
held by Ralph  
T. Parks; and  
35,000 held by  
Murray M.  
Spain.

(2) Mr. Alderson is offering an additional 137,500 shares for resale under the Company's registration statement on Form S-3, registration no. 333-111245.

(2) Mr. Kirkland is offering an additional 1,508,000 shares for resale under the Company's registration statement on Form S-3, registration no. 333-111245.

\* Less than  
1 percent.