

SCHROEDER PAUL J JR
 Form 4
 January 14, 2011

FORM 4

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

OMB APPROVAL

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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 *
 SCHROEDER PAUL J JR

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)
 01/12/2011

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 VP, General Counsel

LITTLE ROCK, AR 72201

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

(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 Class A - Retirement Plan	01/12/2011		S		14,137	D	\$ 39.36
Common Class A	01/12/2011		D		68,013	D	\$ 39.59
Common Class A	01/12/2011		M		16,732	A	\$ 25.74
Common Class A	01/12/2011		S		16,732	D	\$ 39.55
	01/13/2010		M		33,268	A	34,785

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Common Class A					\$			
					25.74			
Common Class A	01/13/2010		S	33,268	D	\$	1,517	D
					39.52			

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

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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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Employee Stock Option	\$ 25.74	01/12/2011		M	16,732	01/24/2006	01/24/2016	Common Class A	16,732
Employee Stock Option	\$ 25.74	01/13/2011		M	33,268	01/24/2006	01/24/2016	Common Class A	33,268

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHROEDER PAUL J JR 1600 CANTRELL ROAD LITTLE ROCK, AR 72201			VP, General Counsel	

Signatures

/s/ Paul J. Schroeder, Jr. 01/14/2011

**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) Includes 1,222 shares aquired under Dillard's 401K plan since the date of the reporting person's last ownership report.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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