

Joint response of CDI and Dillard's to questions posed by Arkansas
Business Journal

Was the change of ownership at CDI Contractors part of the late Bill Clark's succession plan, or did Dillard's Inc. push for the disbursement of Clark's shares after he died?

Dating from CDI's inception and since the original agreement between the parties was written there have always been buyout provisions. The agreement gives Dillard's the right to purchase Bill Clark's interest from his estate following his death. However, Dillard's and some of the officers and employees of CDI are discussing an arrangement whereby Dillard's would permit these individuals to purchase Bill Clark's interest from the estate and, thus, continue in the partnership with Dillard's.

* What is the status of that change of ownership now? Has it moved forward since John Glasgow disappeared and is it likely to?

All of the interested parties are continuing to discuss what arrangement will be in the best interest of CDI and all of its stakeholders going forward.

* Was John Glasgow's position at CDI threatened by the change of ownership? (The family seems to think that Dillard's Inc. was going to install a new CFO.)

That is simply not true.

* The family seems to think that there was a difference of opinion on accounting practices between Dillard's and CDI, but that no one in either organization believes any money was misappropriated by John Glasgow. Would Dillard's Inc. consider this to be a fair statement of the situation?

Neither Dillard's nor CDI believe any money was misappropriated by John Glasgow or any other member of CDI's management.

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William Clark
CDI Contractors

