

BARNES & NOBLE, INC. AND SUBSIDIARIES
Consolidated Statements of Operations
(In thousands, except per share data)

	13 weeks ended		26 weeks ended	
	October 31, 2009	November 1, 2008	October 31, 2009	November 1, 2008
Sales	\$ 1,160,895	1,113,317	\$ 2,316,576	2,334,306
Cost of sales and occupancy	818,706	777,194	1,618,532	1,623,784
Gross profit	342,189	336,123	698,044	710,522
Selling and administrative expenses	324,144	313,432	612,795	613,224
Depreciation and amortization	49,169	44,213	94,022	86,698
Pre-opening expenses	1,284	3,310	2,983	6,476
Operating profit (loss)	(32,408)	(24,832)	(11,756)	4,124
Interest expense, net	3,945	1,311	4,248	2,398
Income (loss) from continuing operations before taxes	(36,353)	(26,143)	(16,004)	1,726
Income taxes	(12,421)	(10,438)	(4,311)	730
Income (loss) from continuing operations (net of income tax)	(23,932)	(15,705)	(11,693)	996
Loss from discontinued operations (net of income tax)	-	(2,468)	-	(3,828)
Net loss	(23,932)	(18,173)	(11,693)	(2,832)
Net (income) loss attributable to noncontrolling interests	(25)	(247)	4	(177)
Net loss attributable to Barnes & Noble, Inc.	<u>\$ (23,957)</u>	<u>(18,420)</u>	<u>\$ (11,689)</u>	<u>(3,009)</u>
Income attributable to Barnes & Noble, Inc.				
Income (loss) from continuing operations	\$ (23,932)	(15,705)	\$ (11,693)	996
Less (income) loss attributable to noncontrolling interests	(25)	(247)	4	(177)
Net income (loss) from continuing operations attributable to Barnes & Noble, Inc.	<u>\$ (23,957)</u>	<u>(15,952)</u>	<u>\$ (11,689)</u>	<u>819</u>
Basic income per common share:				
Income (loss) from continuing operations attributable to Barnes & Noble, Inc.	\$ (0.43)	(0.29)	\$ (0.21)	0.02
Loss from discontinued operations attributable to Barnes & Noble, Inc.	-	(0.05)	-	(0.07)
Net loss attributable to Barnes & Noble, Inc.	<u>\$ (0.43)</u>	<u>(0.34)</u>	<u>\$ (0.21)</u>	<u>(0.05)</u>
Diluted loss per common share:				
Income (loss) from continuing operations attributable to Barnes & Noble, Inc.	\$ (0.43)	(0.29)	\$ (0.21)	0.02
Loss from discontinued operations attributable to Barnes & Noble, Inc.	-	(0.05)	-	(0.07)
Net loss attributable to Barnes & Noble, Inc.	<u>\$ (0.43)</u>	<u>(0.34)</u>	<u>\$ (0.21)</u>	<u>(0.05)</u>
Weighted average common shares outstanding				
Basic	55,230	54,411	55,208	54,306
Diluted	55,230	54,411	55,208	54,306
Dividends declared per common share	\$ 0.25	0.25	\$ 0.50	0.50
Percentage of sales:				
Sales	100.0%	100.0%	100.0%	100.0%
Cost of sales and occupancy	70.5%	69.8%	69.9%	69.6%
Gross profit	29.5%	30.2%	30.1%	30.4%
Selling and administrative expenses	27.9%	28.2%	26.5%	26.3%
Depreciation and amortization	4.2%	4.0%	4.1%	3.7%
Pre-opening expenses	0.1%	0.3%	0.1%	0.3%
Operating profit (loss)	-2.8%	-2.2%	-0.5%	0.2%
Interest expense, net	0.3%	0.1%	0.2%	0.1%
Income (loss) from continuing operations before taxes	-3.1%	-2.3%	-0.7%	0.1%
Income taxes	-1.1%	-0.9%	-0.2%	0.0%
Income (loss) from continuing operations (net of income tax)	-2.1%	-1.4%	-0.5%	0.0%