

BARNES & NOBLE, INC. AND SUBSIDIARIES
Consolidated Balance Sheets
(In thousands, except per share data)

	<u>April 30, 2005</u>	<u>May 1, 2004 Restated (a)(b)</u>	<u>January 29, 2005</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 322,095	177,701	535,652
Receivables, net	94,292	45,225	74,640
Merchandise inventories	1,307,421	1,314,306	1,274,578
Prepaid expenses and other current assets	125,733	101,744	85,140
Current assets of discontinued operations	-	388,818	-
Total current assets	<u>1,849,541</u>	<u>2,027,794</u>	<u>1,970,010</u>
Property and equipment:			
Land and land improvements	3,247	3,247	3,247
Buildings and leasehold improvements	958,827	875,238	940,616
Fixtures and equipment	1,083,330	1,017,296	1,081,966
	<u>2,045,404</u>	<u>1,895,781</u>	<u>2,025,829</u>
Less accumulated depreciation and amortization	1,250,446	1,105,747	1,221,169
Net property and equipment	<u>794,958</u>	<u>790,034</u>	<u>804,660</u>
Goodwill	267,311	175,775	268,379
Intangible assets, net	96,196	93,222	97,538
Deferred taxes	123,682	83,248	123,231
Other noncurrent assets	36,881	21,386	37,710
Noncurrent assets of discontinued operations	-	458,842	-
Total assets	<u>\$ 3,168,569</u>	<u>3,650,301</u>	<u>3,301,528</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 729,779	640,706	745,073
Accrued liabilities	496,852	404,101	580,509
Current liabilities of discontinued operations	-	205,545	-
Total current liabilities	<u>1,226,631</u>	<u>1,250,352</u>	<u>1,325,582</u>
Long-term debt	245,000	300,000	245,000
Deferred income taxes	193,743	162,737	193,743
Other long-term liabilities	370,812	362,605	362,319
Noncurrent liabilities of discontinued operations	-	298,680	-
Minority interest	8,044	18,873	8,942
Shareholders' equity:			
Common stock; \$.001 par value; 300,000 shares authorized; 80,270, 77,213 and 79,276 shares issued, respectively	80	77	79
Additional paid-in capital	1,007,922	926,944	985,609
Accumulated other comprehensive loss	(9,781)	(8,775)	(9,857)
Retained earnings	396,040	534,831	386,134
Treasury stock, at cost, 11,162, 9,008 and 9,008 shares, respectively	(269,922)	(196,023)	(196,023)
Total shareholders' equity	<u>1,124,339</u>	<u>1,257,054</u>	<u>1,165,942</u>
Commitments and contingencies	-	-	-
Total liabilities and shareholders' equity	<u>\$ 3,168,569</u>	<u>3,650,301</u>	<u>3,301,528</u>

(a) Restated to reflect certain adjustments relating to lease accounting.

(b) Reflects the change in the reporting period used to consolidate the results of Barnes & Noble.com.