

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

	13 weeks ended	
	April 30, 2005	May 1, 2004 Restated (a) (b)
Sales	\$ 1,097,170	1,058,197
Cost of sales and occupancy	769,819	750,414
Gross profit	327,351	307,783
Selling and administrative expenses	266,059	244,434
Depreciation and amortization	43,311	44,925
Pre-opening expenses	2,447	2,648
Operating profit	15,534	15,776
Interest expense, net	(329)	(4,497)
Income before taxes and minority interest	15,205	11,279
Income taxes	6,196	4,587
Income before minority interest	9,009	6,692
Minority interest	897	538
Income from continuing operations	9,906	7,230
Income from discontinued operations (net of income tax)	-	4,215
Net income	\$ 9,906	11,445
Basic income per common share:		
Income from continuing operations	\$ 0.14	0.11
Income from discontinued operations	-	0.06
Net income	\$ 0.14	0.17
Diluted income per common share:		
Income from continuing operations	\$ 0.13	0.10
Income from discontinued operations	-	0.06
Net income	\$ 0.13	0.16
Weighted average common shares outstanding		
Basic	69,722	68,146
Diluted	74,400	70,717
Percentage of sales:		
Sales	100.0%	100.0%
Cost of sales and occupancy	70.2%	70.9%
Gross profit	29.8%	29.1%
Selling and administrative expenses	24.2%	23.1%
Depreciation and amortization	3.9%	4.2%
Pre-opening expenses	0.2%	0.3%
Operating profit	1.4%	1.5%
Interest expense, net	0.0%	-0.4%
Income before taxes and minority interest	1.4%	1.1%
Income taxes	0.6%	0.4%
Income before minority interest	0.8%	0.6%
Minority interest	0.1%	0.1%
Income from continuing operations	0.9%	0.7%

(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.