

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

	<u>January 28, 2006</u>	<u>January 29, 2005</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 372,586	535,652
Receivables, net	99,117	91,501
Merchandise inventories	1,313,997	1,274,578
Prepaid expenses and other current assets	86,258	85,140
Total current assets	<u>1,871,958</u>	<u>1,986,871</u>
Property and equipment:		
Land and land improvements	3,247	3,247
Buildings and leasehold improvements	984,535	940,616
Fixtures and equipment	1,174,973	1,081,966
	<u>2,162,755</u>	<u>2,025,829</u>
Less accumulated depreciation and amortization	1,356,379	1,221,169
Net property and equipment	<u>806,376</u>	<u>804,660</u>
Goodwill	263,731	268,379
Intangible assets, net	93,834	97,538
Deferred taxes	119,334	123,231
Other noncurrent assets	25,969	37,710
Total assets	<u><u>\$ 3,181,202</u></u>	<u><u>3,318,389</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 828,852	745,073
Accrued liabilities	700,886	580,509
Total current liabilities	<u>1,529,738</u>	<u>1,325,582</u>
Long-term debt	-	245,000
Deferred income taxes	158,035	193,743
Other long-term liabilities	367,531	379,180
Minority interest	10,057	8,942
Shareholders' equity:		
Common stock; \$.001 par value; 300,000 shares authorized; 83,370 and 79,276 shares issued, respectively	83	79
Additional paid-in capital	1,091,018	985,609
Accumulated other comprehensive loss	(9,085)	(9,857)
Retained earnings	512,594	386,134
Treasury stock, at cost, 16,690 and 9,008 shares, respectively	(478,769)	(196,023)
Total shareholders' equity	<u>1,115,841</u>	<u>1,165,942</u>
Commitments and contingencies	-	-
Total liabilities and shareholders' equity	<u><u>\$ 3,181,202</u></u>	<u><u>3,318,389</u></u>