

BARNES & NOBLE, INC. AND SUBSIDIARIES
Consolidated Balance Sheets
(In thousands)

	<u>November 3, 2007</u>	<u>October 28, 2006</u>	<u>February 3, 2007</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 20,219	19,888	348,767
Receivables, net	109,722	129,053	100,467
Merchandise inventories	1,665,533	1,639,013	1,354,580
Prepaid expenses and other current assets	126,770	80,363	118,626
Total current assets	<u>1,922,244</u>	<u>1,868,317</u>	<u>1,922,440</u>
Property and equipment:			
Land and land improvements	3,247	3,247	3,247
Buildings and leasehold improvements	1,038,416	982,849	990,058
Fixtures and equipment	1,295,887	1,284,023	1,310,026
	<u>2,337,550</u>	<u>2,270,119</u>	<u>2,303,331</u>
Less accumulated depreciation and amortization	1,526,831	1,464,750	1,497,275
Net property and equipment	<u>810,719</u>	<u>805,369</u>	<u>806,056</u>
Goodwill	256,594	260,637	259,683
Intangible assets, net	89,087	91,814	91,176
Deferred taxes	104,384	115,400	104,103
Other noncurrent assets	11,812	11,943	13,340
Total assets	<u>\$ 3,194,840</u>	<u>3,153,480</u>	<u>3,196,798</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 1,055,151	1,016,564	792,977
Accrued liabilities	576,193	515,516	696,666
Total current liabilities	<u>1,631,344</u>	<u>1,532,080</u>	<u>1,489,643</u>
Long-Term Debt	24,600	34,100	-
Deferred taxes	160,273	158,035	160,273
Other long-term liabilities	382,663	388,972	371,357
Minority interest	6,563	5,829	10,660
Shareholders' equity:			
Common stock; \$.001 par value; 300,000 shares authorized; 86,500, 84,528 and 84,608 shares issued, respectively	86	85	85
Additional paid-in capital	1,222,362	1,134,306	1,169,167
Accumulated other comprehensive loss	(6,673)	(8,713)	(7,086)
Retained earnings	591,260	506,474	600,404
Treasury stock, at cost, 25,546, 19,520 and 19,520 shares, respectively	(817,638)	(597,688)	(597,705)
Total shareholders' equity	<u>989,397</u>	<u>1,034,464</u>	<u>1,164,865</u>
Commitments and contingencies	-	-	-
Total liabilities and shareholders' equity	<u>\$ 3,194,840</u>	<u>3,153,480</u>	<u>3,196,798</u>