

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

	<u>13 weeks ended</u> <u>August 1, 2009</u>	<u>13 weeks ended</u> <u>August 2, 2008</u>	<u>26 weeks ended</u> <u>August 1, 2009</u>	<u>26 weeks ended</u> <u>August 2, 2008</u>
Sales	\$ 1,155,681	1,220,989	\$ 2,260,833	2,376,871
Cost of sales and occupancy	799,826	846,590	1,573,317	1,654,505
Gross profit	<u>355,855</u>	<u>374,399</u>	<u>687,516</u>	<u>722,366</u>
Selling and administrative expenses	288,651	299,792	575,205	603,655
Depreciation and amortization	44,854	42,485	90,733	83,799
Pre-opening expenses	1,698	3,166	4,170	7,703
Operating profit	20,652	28,956	17,408	27,209
Interest expense, net	304	1,087	503	280
Income from continuing operations before taxes	20,348	27,869	16,905	26,929
Income taxes	8,110	11,168	6,736	10,794
Income from continuing operations (net of income tax)	12,238	16,701	10,169	16,135
Loss from discontinued operations (net of income tax)	-	(1,360)	(654)	(3,018)
Net income	<u>12,238</u>	<u>15,341</u>	<u>9,515</u>	<u>13,117</u>
Net loss attributable to noncontrolling interests	29	70	59	70
Net income attributable to Barnes & Noble, Inc.	<u>\$ 12,267</u>	<u>15,411</u>	<u>\$ 9,574</u>	<u>13,187</u>
Income attributable to Barnes & Noble, Inc.				
Income from continuing operations	\$ 12,238	16,701	\$ 10,169	16,135
Less loss attributable to noncontrolling interests	29	70	59	70
Net income from continuing operations attributable to Barnes & Noble, Inc.	<u>\$ 12,267</u>	<u>16,771</u>	<u>\$ 10,228</u>	<u>16,205</u>
Basic income per common share:				
Income from continuing operations attributable to Barnes & Noble, Inc.	\$ 0.22	0.30	\$ 0.18	0.28
Loss from discontinued operations attributable to Barnes & Noble, Inc.	-	(0.02)	(0.01)	(0.05)
Net income attributable to Barnes & Noble, Inc.	<u>\$ 0.22</u>	<u>0.28</u>	<u>\$ 0.17</u>	<u>0.23</u>
Diluted loss per common share:				
Income from continuing operations attributable to Barnes & Noble, Inc.	\$ 0.21	0.29	\$ 0.18	0.27
Loss from discontinued operations attributable to Barnes & Noble, Inc.	-	(0.02)	(0.01)	(0.05)
Net income attributable to Barnes & Noble, Inc.	<u>\$ 0.21</u>	<u>0.27</u>	<u>\$ 0.17</u>	<u>0.22</u>
Weighted average common shares outstanding				
Basic	55,186	54,201	54,973	55,907
Diluted	56,221	55,819	55,894	57,678
Dividends declared per common share	\$ 0.25	0.25	\$ 0.50	0.40
Percentage of sales:				
Sales	100.0%	100.0%	100.0%	100.0%
Cost of sales and occupancy	69.2%	69.3%	69.6%	69.6%
Gross profit	<u>30.8%</u>	<u>30.7%</u>	<u>30.4%</u>	<u>30.4%</u>
Selling and administrative expenses	25.0%	24.6%	25.4%	25.4%
Depreciation and amortization	3.9%	3.5%	4.0%	3.5%
Pre-opening expenses	0.1%	0.3%	0.2%	0.3%
Operating profit	1.8%	2.4%	0.8%	1.1%
Interest expense, net	0.0%	0.1%	0.0%	0.0%
Income from continuing operations before taxes	1.8%	2.3%	0.7%	1.1%
Income taxes	0.7%	0.9%	0.3%	0.5%
Income from continuing operations (net of income tax)	1.1%	1.4%	0.4%	0.7%