

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

	<u>August 4, 2007</u>	<u>July 29, 2006</u>	<u>February 3, 2007</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 208,234	21,776	348,767
Receivables, net	124,452	131,371	100,467
Merchandise inventories	1,399,970	1,375,900	1,354,580
Prepaid expenses and other current assets	128,323	85,400	118,626
Total current assets	<u>1,860,979</u>	<u>1,614,447</u>	<u>1,922,440</u>
Property and equipment:			
Land and land improvements	3,247	3,247	3,247
Buildings and leasehold improvements	1,012,712	973,391	990,058
Fixtures and equipment	1,331,712	1,245,443	1,310,026
	<u>2,347,671</u>	<u>2,222,081</u>	<u>2,303,331</u>
Less accumulated depreciation and amortization	1,551,800	1,428,320	1,497,275
Net property and equipment	<u>795,871</u>	<u>793,761</u>	<u>806,056</u>
Goodwill	257,611	261,678	259,683
Intangible assets, net	89,918	92,470	91,176
Deferred taxes	105,006	114,949	104,103
Other noncurrent assets	14,644	25,478	13,340
Total assets	<u>\$ 3,124,029</u>	<u>2,902,783</u>	<u>3,196,798</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 835,167	755,500	792,977
Accrued liabilities	572,360	514,701	696,666
Total current liabilities	<u>1,407,527</u>	<u>1,270,201</u>	<u>1,489,643</u>
Long-Term Debt	-	41,000	-
Deferred taxes	160,273	158,035	160,273
Other long-term liabilities	389,269	387,957	371,357
Minority interest	7,850	7,094	10,660
Shareholders' equity:			
Common stock; \$.001 par value; 300,000 shares authorized; 86,316, 84,335 and 84,608 shares issued, respectively	86	84	85
Additional paid-in capital	1,214,216	1,125,715	1,169,167
Accumulated other comprehensive loss	(6,804)	(8,826)	(7,086)
Retained earnings	596,746	519,211	600,404
Treasury stock, at cost, 20,668, 19,520 and 19,520 shares, respectively	(645,134)	(597,688)	(597,705)
Total shareholders' equity	<u>1,159,110</u>	<u>1,038,496</u>	<u>1,164,865</u>
Commitments and contingencies	-	-	-
Total liabilities and shareholders' equity	<u>\$ 3,124,029</u>	<u>2,902,783</u>	<u>3,196,798</u>