

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

| | 13 weeks ended | | 26 weeks ended | |
|---|----------------|----------------|----------------|----------------|
| | August 2, 2008 | August 4, 2007 | August 2, 2008 | August 4, 2007 |
| Sales | \$ 1,223,770 | 1,244,218 | 2,381,909 | 2,389,613 |
| Cost of sales and occupancy | 849,402 | 882,481 | 1,659,932 | 1,693,845 |
| Gross profit | 374,368 | 361,737 | 721,977 | 695,768 |
| Selling and administrative expenses | 303,065 | 304,009 | 610,333 | 599,217 |
| Depreciation and amortization | 43,365 | 41,430 | 85,542 | 86,938 |
| Pre-opening expenses | 3,166 | 2,602 | 7,703 | 3,636 |
| Operating profit | 24,772 | 13,696 | 18,399 | 5,977 |
| Interest income (expense), net | (1,009) | 1,557 | (176) | 4,695 |
| Income before taxes and minority interest | 23,763 | 15,253 | 18,223 | 10,672 |
| Income taxes | 9,528 | (1,899) | 7,314 | (3,731) |
| Income before minority interest | 14,235 | 17,152 | 10,909 | 14,403 |
| Minority interest | 1,174 | 900 | 2,276 | 1,978 |
| Net income | \$ 15,409 | 18,052 | 13,185 | 16,381 |
| Income per common share: | | | | |
| Basic | \$ 0.28 | 0.28 | 0.24 | 0.25 |
| Diluted | \$ 0.27 | 0.26 | 0.23 | 0.24 |
| Weighted average common shares outstanding: | | | | |
| Basic | 54,201 | 65,372 | 55,907 | 65,291 |
| Diluted | 56,566 | 68,797 | 58,477 | 68,990 |
| Percentage of sales: | | | | |
| Sales | 100.0% | 100.0% | 100.0% | 100.0% |
| Cost of sales and occupancy | 69.4% | 70.9% | 69.7% | 70.9% |
| Gross profit | 30.6% | 29.1% | 30.3% | 29.1% |
| Selling and administrative expenses | 24.8% | 24.4% | 25.6% | 25.1% |
| Depreciation and amortization | 3.5% | 3.3% | 3.6% | 3.6% |
| Pre-opening expenses | 0.3% | 0.2% | 0.3% | 0.2% |
| Operating profit | 2.0% | 1.1% | 0.8% | 0.3% |
| Interest income (expense), net | -0.1% | 0.1% | 0.0% | 0.2% |
| Income before taxes and minority interest | 1.9% | 1.2% | 0.8% | 0.4% |
| Income taxes | 0.8% | -0.2% | 0.3% | -0.2% |
| Income before minority interest | 1.2% | 1.4% | 0.5% | 0.6% |
| Minority interest | 0.1% | 0.1% | 0.1% | 0.1% |
| Net income | 1.3% | 1.5% | 0.6% | 0.7% |