

FOR IMMEDIATE RELEASE

**Barnes & Noble Continues its NOOK Expansion into the UK,
Announces Partnership with Argos, Blackwell's and Foyles,
To Offer Award-Winning NOOK® Products**

**NOOK Reading Devices Available to Millions of Argos, Blackwell's and Foyles Customers
in Stores, Catalogues and Online Beginning in October**

New York, New York – August 30, 2012 – Barnes & Noble, Inc. (NYSE: BKS), the world's largest bookseller and leading retailer of content, digital media and educational products, today announced partnerships with major retailers in the UK including multi-channel retailer Argos, the leading academic bookseller Blackwell's and award-winning independent bookstore Foyles. These leading retailers will offer the highly sought-after NOOK digital products to reading and entertainment lovers in the UK this autumn. These retail partnerships are an important component of Barnes & Noble's recently announced plans to expand its award-winning, beautifully designed NOOK products to millions of customers in the UK.

“We're excited to work with Argos, Blackwell's and Foyles to introduce our popular NOOK reading experience to an even broader audience in the United Kingdom,” said Jamie Iannone, President of Digital Products at Barnes & Noble. “Argos built its brand on choice and convenience, and with 90 percent of the population living within 10 miles of an Argos store, this literally brings the NOOK experience close to home for millions of UK consumers. Blackwell's has built a reputation on its wide selection of titles and extremely knowledgeable staff, much like Barnes & Noble, and we're delighted to continue in our dedication to the education space. As London's largest independent bookshop chain, Foyles is a trusted name in books and literature in the UK, so we're pleased to work together to bring NOOK and our expansive digital catalog to people passionate about books and reading.”

The retail partners will first offer Barnes & Noble's top-ranked line of E Ink® Readers – NOOK Simple Touch™ and NOOK Simple Touch with GlowLight™ – in time for the holiday shopping season. NOOK will be stocked in more than 700 Argos stores, and prominently promoted through Argos' robust online and telephone catalogue starting in October, providing shoppers easy and convenient ways to learn about, try and purchase NOOK products.

“As a leading retailer of technology products in the UK, our team of experts are always focused on the best new products, so we are delighted to partner with Barnes & Noble on the launch of NOOK,” said Andy Hannan, Argos Trading Director. “From October, our customers will be able to buy NOOK online and in-store and we are sure it will be one of the must-have gadgets this Christmas.”

The announcement also marks partnerships between major bookselling retailers in the United States and the United Kingdom. Blackwell's – the leading UK retailer of academic, professional and specialist books – will carry NOOK digital products across an estate which serves 55 universities and major high streets nationwide.

“Blackwell’s is delighted to announce our partnership with Barnes & Noble to bring NOOK to the UK,” said David Prescott, Managing Director of Blackwell’s Bookshops and Online. “It was critically important to us that we found a device partner who understood the specific needs of our customer groups. Barnes & Noble’s bookselling expertise, academic heritage and market leading NOOK reading devices made them the outstanding choice for Blackwell’s customers.”

Foyles will bring NOOK to its six award-winning, internationally renowned London and Bristol bookshops and its online shop, allowing customers to explore, discover and purchase highly acclaimed NOOK products and content.

“Barnes & Noble’s NOOK was born in and developed by a bookshop, so it is the ideal digital reading device to be sold by one,” said Sam Husain, CEO of Foyles Bookshops. “Foyles is always looking for new ways to recommend books to our customers and with NOOK, our booksellers now have superb hardware at hand to do so. NOOK is a market leader in eBook technology we are delighted to now be able to offer to our customers.”

Today’s announcement reinforces Barnes & Noble’s commitment to offer the best choice in reading and tablet products for UK customers, expanding the expected number of UK retail outlets to nearly 800, in addition to various leading online retail platforms offering NOOK products and the company’s soon to launch online storefront, www.nook.co.uk.

Barnes & Noble is a leader in creating innovative products that provide the best digital reading and entertainment experience for millions of customers today. The award-winning NOOK Simple Touch – the easiest-to-use Reader with the world’s best, most paper-like reading screen – and NOOK Simple Touch with GlowLight, which adds an evenly distributed and adjustable light that’s perfect for reading in the dark, are expected to be available through leading UK retailers starting this autumn.

Further product, pricing and availability details will be announced in the autumn. Commercial terms of the partnership have not been disclosed.

About Barnes & Noble, Inc.

Barnes & Noble, Inc. (NYSE:BKS), the leading retailer of content, digital media and educational products, operates 691 bookstores in 50 states. Barnes & Noble College Booksellers, LLC, a wholly-owned subsidiary of Barnes & Noble, also operates 647 college bookstores serving over 4.6 million students and faculty members at colleges and universities across the United States. Barnes & Noble conducts its online business through BN.com (www.bn.com), one of the Web’s largest e-commerce sites, which also features more than 2.5 million titles in its NOOK Bookstore™ (www.bn.com/ebooks). Through Barnes & Noble’s NOOK® eReading product offering, customers can buy and read digital books and content on the widest range of platforms, including NOOK devices, partner company products, and the most popular mobile and computing devices using free NOOK software. Barnes & Noble is proud to be named a J.D. Power and Associates 2012 Customer Service Champion and is only one of 50 U.S. companies so named. Barnes & Noble.com is ranked the number one online retailer in customer satisfaction in the book, music and video category and a Top 10 online retailer overall in customer satisfaction according to ForeSee E-Retail Satisfaction Index (Spring Top 100 Edition).

General information on Barnes & Noble, Inc. can be obtained via the Internet by visiting the company's corporate website: www.barnesandnobleinc.com.

NOOK[®], NOOK Tablet[™], NOOK Simple Touch[™] with GlowLight[™], NOOK Simple Touch[™], NOOK Color[™], Reader's Tablet[™], Best-Text[™] Technology, VividView[™], PagePerfect[™], NOOK Store[™], NOOK Bookstore[™], NOOK Book[™], NOOK Newsstand[™], NOOK Magazine[™], NOOK Newspaper[™], NOOK Apps[™], FREE NOOK Reading Apps[™], NOOK Kids[™], NOOK Digital Shop[™], NOOK Cloud[™], NOOK[®] for Web, Read In Store[™], More In Store[™], LendMe[®], NOOK Books en español[™], NOOK Study[™], NOOK Library[™], Lifetime Library[™] and Read What You Love. Anywhere You Like[™] are trademarks of Barnes & Noble, Inc. Other trademarks referenced in this release are the property of their respective owners.

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About NOOK[®] from Barnes & Noble

Barnes & Noble's NOOK brand of eReading products makes it easy to read what you love, anywhere you like[™] with a fun, easy-to-use and immersive digital reading experience. With NOOK, customers gain access to Barnes & Noble's expansive NOOK Store[™] of more than 2.5 million digital titles, and the ability to enjoy content across a wide array of popular devices. NOOK Tablet[™] is Barnes & Noble's fastest, lightest tablet with the best in entertainment from top services and everything you want in a tablet at a great value (\$179 for NOOK Tablet – 8GB, and \$199 for NOOK Tablet – 16GB). Both NOOK Tablet and the award-winning NOOK Color[™] (\$149) feature a stunning 7-inch VividView[™] Color Touchscreen to read all of the content you love, shop popular apps, connect via e-mail, browse the Web and more. NOOK Simple Touch[™] (\$99) is the fastest, easiest to use reader with the world's best reading screen and the longest battery life and NOOK Simple Touch with GlowLight[™] (\$139) features innovative lighting technology that makes it perfect for reading at bedtime and on the beach. Barnes & Noble offers NOOK owners Always Free NOOK Support in any of its nearly 700 bookstores, as well as free Wi-Fi connectivity to enjoy the Read In Store[™] feature to read NOOK Books[™] for free, and the More In Store[™] program, which offers free, exclusive content and special promotions. Barnes & Noble was the first company to offer digital lending for a wide selection of books through its LendMe[®] technology, available through NOOK eReading products. Find NOOK devices in Barnes & Noble stores and online at www.nook.com, as well as at Best Buy, Walmart, Staples, Target, Radio Shack, Books-A-Million, OfficeMax, Fred Meyer, P.C. Richard & Son stores, Office Depot, Fry's Electronics, Kmart, hhgregg, Sears and Systemax Inc. retailers.

In addition to NOOK devices, Barnes & Noble makes it easy for customers to enjoy any book, anytime, anywhere with its Free NOOK Reading Apps[™], available at www.nook.com/freenookapps. Customers can use Barnes & Noble's free eReading software to access and read books from their personal Barnes & Noble digital library on devices including iPad[™], iPhone[®], iPod touch[®], Android[™] smartphones and tablets, PC and Mac[®]. Lifetime Library[™] helps ensure that Barnes & Noble customers will always be able to access their digital libraries on NOOK products and software-enabled devices and BN.com. Barnes & Noble also offers NOOK Study[™] (www.nookstudy.com), an innovative study platform and software solution for higher education, NOOK Kids[™] (www.nookkids.com), a collection of digital picture and chapter books for children, and NOOK Books en español[™] (<http://www.barnesandnoble.com/ebooksenespanol>), the first-ever Spanish language digital bookstore in the United States.

For more information on NOOK devices and eReading software, updates, new NOOK Book releases, Free Friday[™] NOOK Books and more, follow us on www.twitter.com/nookBN and www.facebook.com/nook.

About Argos

Argos is the UK's leading multi-channel retailer, offering more than 33,000 products from around 750 stores throughout the UK and Republic of Ireland, online at www.argos.co.uk, over the telephone and uniquely, through Argos TV. Argos continues to be the UK's largest high street retailer online with over 430 million website visits annually. Argos serves around 130 million customers a year through its store network. In the financial year to February 2012, Argos sales were £3.9 billion and it employed some 31,000 people across the business.

Argos is part of Home Retail Group, the UK's leading home and general merchandise retailer.

About Blackwell's

Blackwell's is the leading academic bookseller in the UK with shops serving 55 higher education institutions across England, Scotland and Wales. It has built an international reputation for bookselling excellence with links to

academic institutions and libraries around the globe and has continued to expand its UK base on high streets and in university campuses up and down the country.

Today Blackwell's has been trading for over 130 years from its world-famous flagship store on Broad Street in Oxford. Blackwell's booksellers are renowned for their expertise, depth of knowledge and love of books, a tradition which has been maintained since the first Blackwell shop opened its doors in 1879.

About Foyles

Foyles, award-winning National Bookseller of the Year and Children's Bookseller of the Year at this year's Bookseller Industry Awards, has bookshops located in the traditional home of bookselling on Charing Cross Road and in four other London landmark locations. Foyles at Royal Festival Hall opened in 2005, Foyles in St Pancras International and Foyles in Westfield London opened in 2008 and Foyles in Westfield Stratford City opened in November 2011. The first Foyles shop outside London for seventy years, Foyles Cabot Circus, opened in Bristol in March 2011.

The Foyles ecommerce site www.foyles.co.uk has 15 million books and over 230,000 eBooks for sale, with live stock availability from all its bookshops and details of upcoming literary events and book signings. Website customers receive a 15% discount on their purchases, with free delivery in the UK to all stores and on orders of £10 and over.

Foyles was founded by brothers William and Gilbert Foyle in 1903 and became one of the most famous bookshops in the world. A multi-million pound refurbishment was completed in 2004. Well known for its breadth and range of stock and the expertise of its booksellers, Foyles bookshops remains family owned with Christopher Foyle as its non-executive Chairman. Sam Husain, only the second non-family CEO in Foyles' history, is working with his fellow executive directors and senior managers to maintain Foyles as a book lovers' destination of choice for the 21st century.

Forward-Looking Statements

This press release contains certain forward-looking statements (within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended) and information relating to Barnes & Noble that are based on the beliefs of the management of Barnes & Noble as well as assumptions made by and information currently available to the management of Barnes & Noble. When used in this communication, the words "anticipate," "believe," "estimate," "expect," "intend," "plan," "will" and similar expressions, as they relate to Barnes & Noble or the management of Barnes & Noble, identify forward-looking statements.

Such statements reflect the current views of Barnes & Noble with respect to future events, the outcome of which is subject to certain risks, including, among others, the general economic environment and consumer spending patterns, decreased consumer demand for Barnes & Noble's products, low growth or declining sales and net income due to various factors, risk that international expansion will not be successfully achieved or may be achieved later than expected, possible disruptions in Barnes & Noble's computer systems, telephone systems or supply chain, possible risks associated with data privacy, information security and intellectual property, possible work stoppages or increases in labor costs, possible increases in shipping rates or interruptions in shipping service, effects of competition, possible risks that inventory in channels of distribution may be larger than able to be sold, possible risk that returns from consumers or channels of distribution may be greater than estimated, the risk that the expected sales lift from Borders' store closures is not achieved in whole or part, the risk that digital sales growth is less than expectations and the risk that it does not exceed the rate of investment spend, higher-than-anticipated store closing or relocation costs, higher interest rates, the performance of Barnes & Noble's online, digital and other initiatives, the performance and successful integration of acquired businesses, the success of Barnes & Noble's strategic investments, unanticipated increases in merchandise, component or occupancy costs, unanticipated adverse litigation results or effects, product and component shortages, the potential adverse impact on the business resulting from the review of a potential separation of the NOOK digital business, the risk that the transactions contemplated by the partnership with Microsoft to form Newco, including with respect to any spin-off, split-off or other disposition by Barnes & Noble of its interest in Newco, are not able to be implemented on the terms contemplated or at all, the risk that the transactions do not achieve the expected benefits for the parties including the risk that Newco's applications are not commercially successful or that the expected distribution of those applications is not achieved, the risk that

the separation of the NOOK digital and College businesses or any subsequent spin-off, split-off or other disposition by Barnes & Noble of its interest in Newco results in adverse impacts on Company or Newco (including as a result of termination of agreements and other adverse impacts), the potential impact on Barnes & Noble's retail business of the separation, the potential tax consequences for Barnes & Noble and its shareholders of a subsequent spin-off, split-off or other disposition by Barnes & Noble of its interest in Newco, the risk that the international expansion contemplated by the relationship is not successful or is delayed, including the potential delay in distribution of devices and/or digital content, the risk that Newco is not able to perform its obligations under the commercial agreement, including with respect to the development of applications and international expansion, and the consequences thereof, the costs and disruptions arising out of any such separation of the NOOK digital and College businesses, the risk that Barnes & Noble may not recoup its investments in the NOOK digital business as part of any separation transaction, the risks, difficulties, and uncertainties that may result from the separation of businesses that were previously co-mingled including necessary ongoing relationships, and potential for adverse customer impacts and other factors which may be outside of Barnes & Noble's control, including those factors discussed in detail in Item 1A, "Risk Factors," in Barnes & Noble's Annual Report on Form 10-K and Form 10-K/A, and in Barnes & Noble's other filings made hereafter from time to time with the SEC. Our forward looking statements relating to international expansion are also subject to the following risks, among others that may affect the introduction, success and timing of the NOOK e-reader and content in countries outside the United States: we may not be successful in reaching agreements with international companies, the terms of agreements that we reach may not be advantageous to us, our NOOK device may require technological changes to comply with applicable laws, and marketplace acceptance and other companies have already entered the marketplace with products that have achieved some customer acceptance.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those described as anticipated, believed, estimated, expected, intended or planned. Subsequent written and oral forward-looking statements attributable to Barnes & Noble or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements in this paragraph.

Barnes & Noble undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise after the date of this communication.

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