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Barnes & Noble Launches NOOK® HD and NOOK HD+, Lightest and Highest-Resolution 7-Inch HD Tablet and World's Lightest Full HD Tablet

Incredible Reading and Entertainment Like Never Seen Before on 7- and 9-Inch Tablets

Designed for Both Personal Use and the Whole Family to Share

– Like Having Multiple Devices in One

NOOK HD Offers World's Highest Resolution Display Ever on a 7-Inch Media Tablet Starting at Only £159

NOOK HD+ is Lightest, Lowest-Priced Full HD Tablet Ever Starting at Only £229

Unbeatable Values for Top Quality Tablets and No Annoying Ads

Coming to the UK This Autumn

New York, New York – September 26, 2012 – Barnes & Noble, Inc. (NYSE: BKS), the leading retailer of content, digital media and educational products, today introduced NOOK HD and NOOK HD+, the lightest HD and full HD tablets. The super-fast and lightweight 7-inch NOOK HD and 9-inch NOOK HD+ feature must-see displays for superior reading and entertainment and an instantly personalised tablet experience for each family member. In fact, NOOK HD boasts the world's highest-resolution ever on a 7-inch tablet and NOOK HD+ rivals the industry-leading tablet's display. Starting at the low prices of £159 for NOOK HD and £229 for NOOK HD+ – nearly half the cost of the leading large-format tablet – both products deliver an amazing value for customers, with no annoying ads. With more than 2.5 million books, a large selection of magazines and apps, as well as NOOK Video[™] content coming this holiday, NOOK HD and NOOK HD+ offer virtually endless reading and entertainment at customers' fingertips. Pre-orders will begin in late October at leading UK retailers and at

<u>www.nook.co.uk</u>. NOOK HD and NOOK HD+ will be available through Blackwell's, Currys, PC World, Foyles, John Lewis, Sainsbury's and Waitrose beginning in late November.

The fantastic new 7-inch NOOK HD and 9-inch NOOK HD+ are packed with favourite tablet features that the whole family will love:

A Personalised Tablet Experience For Both Individuals and Families

According to research by Barnes & Noble, more than 50 percent of tablet owners share their devices with others in their families every day. Half also say they would never let their child handle their device unattended. Not surprising, given that more than a third of tablet owners report having content on their devices they don't want anyone else to see. NOOK HD and NOOK HD+ are designed explicitly to provide a personalised experience for individuals and their family members, allowing children to freely enjoy all the content they love without happening upon all that parents would rather they didn't see. NOOK Profiles[™] instantly transform the device in hand to any family member's very own tablet. With a quick tap on a profile at the top of the screen, the entire experience magically changes into that family member's personal tablet as their own content − and personalised recommendations − appears on the display. Now mum's NOOK becomes Jack's NOOK, becomes dad's NOOK and so on. In a blink, one device is like four, or five, or six. Adults can use their personal passwords to easily access their books, magazines, videos, apps and more. Children can dive into their collection of digital picture books, learning apps, and kid-friendly videos, while tweens and teens can access their chapter books, magazines, games and favourite TV shows. Enhanced controls with simple settings and password features empower parents to easily manage their children's access to the web, content and shopping.

Must-Have Tablet Features

The new NOOK HD and NOOK HD+ are optimised to deliver unparalleled experiences in the areas that company research showed NOOK tablet owners use most: reading, Web, video and email. The reading experience is unmatched, offering beautifully rendered text, magazines in spectacular HD and lightning fast page turns. Thanks to top-end processors, the newly designed Web browser in NOOK HD and NOOK HD+ is super-fast, making it simple and smooth to surf favourite sites with a tap, pinch and zoom. Integrated into the Web browser, ArticleView[™] allows you to customise your online reading experience. Both NOOK HD and NOOK HD+ will offer access to a collection of popular movies and TV shows through new NOOK Video coming to the UK this holiday. And an all-new built-in email app offers new features in an easy-to-use, clean format that supports a host of popular personal and work-related email services including Microsoft[®] Exchange ActiveSync.

NOOK HD - The Most Exceptional Reading and Entertainment Experience in a 7-Inch Tablet

Best 7-Inch Display: NOOK HD includes a newly invented, brilliant display that delivers the highest quality text, graphics and video experience in a 7-inch media tablet. Packed with pixels, every book read, every movie watched, every game played is rendered in a digital quality never before seen. NOOK HD offers the highest-resolution display ever on a 7-inch tablet at 1440 x 900, with an unprecedented 243 pixels per inch and HD video playback of up to 720p. It's ultra-sharp with 25 percent more pixels than Kindle Fire HD for a better overall viewing experience. Building on the highly advanced laminated displays first seen in the 7-inch category on previous NOOK LCD products, NOOK HD features the most advanced IPS display coupled with world-class optical bonding technology with no air gap to deliver low-glare and a wide viewing angle for sharing.

Super-Light and A Joy to Hold: Weight matters, and no other leading 7-inch HD tablet is lighter than NOOK HD. By developing a breakthrough design that integrates the display into the device itself, Barnes & Noble eliminated many components to keep NOOK HD super-light, yet durable. At only 315 grams and just 127 mm wide, it's more than 20 percent lighter and one centimetre narrower than Kindle Fire HD. So, it fits the hand beautifully and is finished with soft-touch paint that makes it comfortable for even a young child to hold. NOOK HD is ergonomically contoured for comfort and slips easily into a men's suit coat, a woman's handbag or a child's backpack.

Lightning Fast: Armed with a dual-core 1.3GHz high-speed processor, NOOK HD is lightning fast, highly responsive and smooth. With its more powerful processor, it's not surprising that NOOK HD is faster than Kindle Fire HD for a nimble overall experience, and 80 percent faster when it comes to graphics processing for smoother, faster animations, renderings, apps experience and more. The 1GB of RAM allows customers to easily zip from one app to another and play movies.

More Choices: The world's most exceptional 7-inch reading and entertainment tablet is now available for pre-order in two colours, "Snow" and "Smoke." Starting at just £159 for an 8GB model and only £189 for a 16GB version – both featuring expandable microSD memory storage – customers can learn more about the devices at www.nook.co.uk and pre-order NOOK HD, as well as NOOK HD+, next month.

NOOK HD+ - The Lightest and Lowest-Priced Full HD Tablet Ever

Spectacular Full HD Display: For those who want to enjoy reading and entertainment on a larger scale, NOOK HD+ offers a must-see full HD 9-inch display with resolution of 1920 x 1280 and 256 pixels per inch for up to 1080p for movies, magazines and more. The fully laminated display reduces glare and provides excellent viewing angles, perfect for personal or shared viewing. This amazing display rivals the "resolutionary" screen of the leading high-resolution large-format tablet, but is offered in a device that's more than 20 percent less weight and nearly half the price.

Incredibly Light Yet Powerful: Weighing in at only 515 grams, NOOK HD+ is big on display, yet lightweight, easy to hold and take anywhere. It is the lightest full HD tablet ever invented. NOOK HD+ is power-packed by a 1.5GHz dual-core processor with 1GB of RAM for a fast, smooth customer experience, whether browsing the web, reading books and magazines, watching videos, enjoying apps or checking email.

Best Price Ever for Full HD Tablet: The beautifully designed NOOK HD+, offered in the colour "Slate," features expandable memory for even more storage with options of 16GB for £229 and 32GB for £269 – two astoundingly low prices for a brilliant, super-light 9-inch reading and entertainment tablet.

Both NOOK HD and NOOK HD+ will be delivered to customers and in UK stores in late November, in plenty of time for Christmas. .

"With the combination of the highest resolution screen, lightest weight and expansive access to content rendered in a digital quality never before seen, NOOK HD is the world's best 7-inch media tablet," said William J. Lynch, Chief Executive Officer of Barnes & Noble. "We designed our larger format tablet NOOK HD+, because we think there's big demand from customers for a super-light, extremely high quality 9-inch tablet, at half the price of the iPad. Both our 7-inch NOOK HD and 9-inch NOOK HD+

deliver an exceptional customer experience and we enthusiastically encourage customers to go to nook.com and learn more about them," said William J. Lynch, Chief Executive Officer of Barnes & Noble.

Announcing Even More NOOK Content and Services to Enjoy

As part of the launch of NOOK HD and NOOK HD+, Barnes & Noble also announced significant new additions and advancements to the NOOK content ecosystem:

A Growing and Diverse Digital Catalogue: The NOOK Store[™] now offers more than 2.5 million books including bestselling books, new releases, classics and enhanced titles with special content; a large collection of best-loved English-language children's interactive picture books; comic books and graphic novels; and picture-perfect art, photography, travel guides and cookbook titles.

NOOK Video: Beginning this holiday in the UK, NOOK Video will offer customers their favourite standard and HD movies and TV shows for streaming and download to watch in spectacular colour and stunning definition on NOOK HD and NOOK HD+. Both devices are designed with an HDMI compatible port to allow customers to easily connect to their TVs to watch movies and shows in up to full 1080p.

Magazine 2.0: NOOK Newsstand[™] has a large digital collection of favourite UK magazines available for both digital subscriptions and single copy sale. With NOOK HD and NOOK HD+, the industry-leading magazine experience just got even better. A new visual table of contents lets customers view thumbnails of the entire magazine and simply tap the article they want to read first. Magazines feature a super-fast, 3D-like page turn and include built-in hot spots for readers to quickly jump to specific articles and to go deeper on a subject or story through audio, video and web linking. NOOK's innovative ArticleView lets the reader focus only on the text, customised to their needs. The company also introduced a breakthrough NOOK Scrapbook[™], where magazine readers can virtually clip pages of interest and save them in customised digital scrapbooks.

Excellent Newspaper Experience: Extra! Extra! NOOK Newspapers make it easier and more fun to read newspapers digitally. Customers can view and choose each of the paper's sections on the left column to tap and read in a snap. The large selection of daily and weekly newspapers are available through subscription or single copies and are automatically downloaded via Wi-Fi® to the device when available for reading with morning coffee, on the commute home or anywhere in between.

Top Apps: NOOK Apps[™] features a wide range of titles for the whole family, including the hottest games, as well as lifestyle, productivity, news, entertainment and reading apps. Customers will find a broad collection with all the most popular and bestselling top 100 app titles for tablets available anywhere. In fact, only the NOOK Store provides helpful age recommendations for parents and lets customers browse by subject area to find the perfect app for their child among the broadest and the most curated app collection of kids' educational apps on any Android store. With games and activities focused on language, math, puzzles, reading, art and more, NOOK provides families with hours of playful learning that helps kids make the most of their "screen time."

NOOK Store - A Better Way to Shop & Find Content: NOOK HD and NOOK HD+ bring a new level of personal shopping service to the device experience. Customers can tap on the Your NOOK Today icon on the home screen to reveal fresh content and personalised recommendations each day.

This includes their latest newsstand subscriptions delivered virtually, plus cool apps and new titles matched to their profile.

And just like a great bookshop, the NOOK Store is a place of continuous discovery. The new store experience allows customers to easily shop by department or explore new NOOK Channels[™], a pioneering recommendation system that combines the unrivalled knowledge of Barnes & Noble booksellers with advanced algorithmic technology to create an unparalleled, curated browsing experience. Targeted by interest and sensibility, each NOOK Channel programs a rich stream of reading and apps – and soon movies – that includes the latest releases as well as backlist gems, bestsellers as well as offbeat treasures. Customers can browse and shop Channels that will expand their passions for the authors and subjects they love, from Paranormal Romance, War Stories, and Books to Talk About to Jane Austen & Heirs, The New Classics, History by Plot and Books Every Kid Should Know.

NOOK Cloud: All NOOK content is delivered via Wi-Fi and safely stored through NOOK Cloud, making NOOK Books, videos, apps and other content accessible across NOOK, personal computing and mobile devices using free NOOK Reading and NOOK Video apps.

Additional NOOK HD and NOOK HD+ Highlights

- **Battery Life that Lasts:** Both devices feature extra-long battery life optimised for extended use. NOOK HD offers up to 10.5 hours of continuous reading and up to 9.5 hours of video watching, while NOOK HD+ boasts up to 10 hours and up to 9 hours for reading and video, respectively, all with Wi-Fi off.
- **Expandable Storage:** In addition to generous onboard storage, NOOK HD and NOOK HD+ also feature expandable memory using a separate microSD card (up to 64GB) another feature not offered on Amazon's tablets. NOOK gives customers an economical and flexible way to carry their personal content, PDFs, music, videos and more anywhere.
- A Better Value, Ad-Free: NOOK HD and NOOK HD+ offer brilliant displays so customers can enjoy their favourite content and personal photos, not annoying ads as with Amazon's tablets. And with low prices starting at £159 and £229 respectively, always ad-free NOOK tablets are a better value than Amazon's. For example, in the US where the product is currently available, Amazon currently charges customers an additional £9 for freedom from advertising offers on their tablet home page.
- Ready for Power: Barnes & Noble also knows that customers prefer to charge their tablets quickly with an AC adapter; every new NOOK HD and NOOK HD+ has one included at no extra cost. Amazon charges £18 for their tablets' adapters sold separately.
- **Superb Sound:** To deliver excellent audio, NOOK HD and NOOK HD+ are designed with customised speakers and utilise SRS TruMedia to create a wide sound field, deep bass, clear vocals and strong midrange performance. Whether listening through the device's speakers, a pair of headphones or on a Bluetooth-enabled speaker, customers will enjoy a rich audio experience watching videos, listening to music, reading children's picture books or playing games.
- A NOOK of One's Own: Gallery has never been so personal with instant access to cherished memories from popular photo sharing and social networking sites. Customers can add even more photos to the Gallery from their computer or emails. NOOK becomes each family member's very own when they pick a favourite photo for the home screen and screensaver for each individual profile instead of annoying ads. NOOK HD and NOOK HD+ also make it easy to share photos via email or in person, by connecting NOOK to a TV.

- Easy to Use Interface: Both new tablets feature a beautiful "paper-like" user interface that gets customers right into the content they want, and allows quick access into core applications: Home, Library, Shop and Web. The experience is intended to make NOOK HD and NOOK HD+ the easiest tablets on the market to use, empowering customers to take advantage of its extensive functionality and enjoy a reading experience that far surpasses that of any other tablets.
- Stay Connected More Easily: The email app on NOOK HD and NOOK HD+ lets customers stay connected with what's happening at the office through support for Microsoft Exchange ActiveSync. Customers can check business email and sync calendar and contacts, too. NOOK HD and NOOK HD+ also support email, calendar and contacts syncing for popular services like Gmail, Hotmail and Outlook.com, as well other popular POP3/IMAP email services like Yahoo!, AOL and more.

Pre-orders for NOOK HD and NOOK HD+ will begin next month for customers in the United Kingdom, as the products will be available in late November there through leading retailers and www.nook.co.uk. NOOK HD and NOOK HD+ will be offered through in more than 1,600 shops and online through Blackwell's, Currys, Dixons, Foyles, John Lewis, Sainsbury's and Waitrose.

Barnes & Noble primarily conducts its commercial European operations In Luxembourg through its Luxembourg entity Barnes & Noble S.à r.l.

About Barnes & Noble, Inc.

Barnes & Noble, Inc. (NYSE:BKS), the leading retailer of content, digital media and educational products, operates 689 bookstores in 50 states. Barnes & Noble College Booksellers, LLC, a wholly-owned subsidiary of Barnes & Noble, also operates 667 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 3 million titles in its NOOK BookstoreTM (www.bn.com/ebooks). Through Barnes & Noble's NOOK® product offering, customers can buy and read digital books and content on the widest range of platforms, including NOOK devices and the most popular mobile and computing devices using free NOOK apps. Barnes & Noble is proud to be named a J.D. Power and Associated 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 GlowLight[™], NOOK[®] Simple Touch, NOOK Color[™], Reader's Tablet[™], Best-Text[™] Technology, VividView[™], PagePerfect[™], NOOK Store[™], NOOK Bookstore[™], NOOK Book[™], NOOK Book[™], NOOK Newsstand[™], NOOK Magazine[™], NOOK Newspaper[™], NOOK Video[™], NOOK Catalog[™], NOOK Apps[™], FREE NOOK Reading Apps[™], NOOK Video Apps[™], NOOK Profiles[™], NOOK Channels[™], Your NOOK Today[™], NOOK Kids[™], NOOK Digital Shop[™], NOOK Cloud[™], NOOK[®] for Web, Read In Store[™], 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 reading and entertainment products make 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 3 million digital titles, and the ability to enjoy content across a wide array of popular devices through free NOOK Reading Apps™ and NOOK Video apps, available at www.nook.com/freenookapps. Barnes & Noble offers NOOK owners Always Free NOOK Support in any of its nearly 700 bookstores. Find NOOK devices in Barnes & Noble stores and online at www.nook.com, as well as leading retailers including Best Buy, Walmart, Target and many others. NOOK products will also soon be available in the United Kingdom through www.nook.co.uk and leading retailers.

For more information on NOOK, follow us on $\underline{www.twitter.com/nookBN}$ or $\underline{www.twitter.com/nook_UK}$ and $\underline{www.facebook.com/nook}$.

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", "coming to" 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, higherthan-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 domestic and international expansion contemplated by the relationship or otherwise 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.

*TruMedia is a trademark of DTS, Inc. through its acquisition of SRS Labs, Inc. in July 2012.

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