

CONTACTS:

Mary Ellen Keating
Corporate Communications
Barnes & Noble, Inc.
(212) 633-3323
mkeating@bn.com

Carolyn J. Brown
Corporate Communications
Barnes & Noble, Inc.
(212) 633-4062
cbrown@bn.com

Barnes & Noble Partners with Sainsbury's To Offer Award-Winning NOOK® Products

Leading UK Retailer Will Offer NOOK As Exclusive Reading Devices to Millions of Customers

New York, New York – September 25, 2012 – Barnes & Noble, Inc. today announced a partnership with Sainsbury's to bring the award-winning NOOK reading experience and digital products as the exclusive eReader to over 270 Sainsbury's stores across the UK and online.

“Barnes & Noble is committed to delivering the popular NOOK reading experience to the UK, beginning this autumn,” said Jamie Iannone, President of Digital Products at Barnes & Noble. “We're proud to have NOOK in Sainsbury's portfolio, and to showcase our award-winning products with one of the UK's most trusted retailers.”

Sainsbury's New Technology Buyer, Lindsay Evans commented: “We aim to offer our customers new and exciting products. The NOOK provides avid readers with a portable, easy way to consume literature. General merchandise represents a significant part of our business' growth and it was critically important to us we found a device partner who understands the specific needs of our customers. The NOOK's high quality and intuitive features make it perfect for the whole family to enjoy.”

The Barnes & Noble partnership with Sainsbury's is another demonstration of the bookseller's commitment to offer the best choice in reading and tablet products, and outstanding customer service for UK consumers. The Sainsbury's commitment to their community and customers make them a great partner in bringing new reading experiences to customers throughout the 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 company is on track to offer two of its most popular products through leading UK retailers starting this autumn, in time for the holiday shopping season: the award-winning NOOK Simple Touch, the lightweight, easiest-to-use Reader with extra-long battery life and a paper-like display, and NOOK Simple Touch GlowLight, which adds an evenly distributed and adjustable light that's perfect for reading in the dark.

Further product, pricing and availability details will be announced in the coming weeks. 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 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 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 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™ 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 Sainsbury's

Sainsbury's was founded in 1869 and today operates over 1,000 stores, employs around 150,000 colleagues and serves 22 million customers each week. The business puts customers at the heart of everything it does and has invested in its stores, colleagues and channels to deliver the best possible shopping experience.

Learn more about Sainsbury's at www.j-sainsbury.co.uk.

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, 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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