

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Barnes & Noble, Inc.		2 Issuer's employer identification number (EIN) 06-1196501	
3 Name of contact for additional information Andy Milevoj, VP, Investor Relations	4 Telephone No. of contact (212) 633-3489	5 Email address of contact amilevoj@bn.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 122 Fifth Avenue		7 City, town, or post office, state, and Zip code of contact New York, NY 10011	
8 Date of action August 2, 2015		9 Classification and description Common Stock	
10 CUSIP number 067774109	11 Serial number(s)	12 Ticker symbol NYSE:BKS	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On August 2, 2015, Barnes & Noble, Inc. ("BKS") distributed 100% of the stock of Barnes & Noble Education, Inc. ("BNED") to the BKS common shareholders of record as of July 27, 2015 (the "Distribution"). In the Distribution, each such shareholder received 0.632 BNED common shares for every one share of BKS common stock held as of the record date.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ Subject to the discussion of the relative fair market value of BKS and BNED common stock in box 16 below, as a consequence of the Distribution, each BKS U.S. shareholder should allocate 67.762% of its basis in its BKS immediately before the Distribution to its BKS common stock and 32.238% to the BNED common stock received in the Distribution.

As an example, take a shareholder who held 1,000 BKS common shares, which he acquired before the Distribution for \$20/share, for an aggregate basis of \$20,000. In the Distribution, he would have received 632 shares of BNED common stock. He would allocate 67.762% of his basis--\$13,552.38 or about \$13.55/share--to his BKS common stock, and 32.238% of his basis--\$6,447.62, or about \$10.20/share--to the BNED common stock he received in the Distribution.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The aggregate basis of the BKS common stock and BNED common stock held by each U.S. holder immediately after the Distribution will be the same as the aggregate tax basis of the BKS common stock held immediately before the Distribution, allocated between the BKS common stock and the BNED common stock in proportion to their relative fair market values on the date of the Distribution.

There are a number of ways to determine the fair market value of BKS and BNED common stock. The allocation described in box 15 is based on the value-weighted average price (VWAP) of BKS and BNED common stock (\$17.1578 and \$12.9160, respectively) on August 4, 2015, the next trading date following the Distribution. Other valuation methodologies may exist, however, and we urge you to consult your tax advisor regarding these basis allocation calculations.

Shareholders that have acquired different blocks of BKS common stock at different times or at different prices should consult their tax advisor regarding the allocation aggregate basis among BKS and BNED common stock.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Sections 355 and 358.

18 Can any resulting loss be recognized? ▶ No.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable tax year is 2015.

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature ▶ <u>Brad Feuer</u>	Date ▶ <u>8-25-15</u>		
Paid Preparer Use Only	Print your name ▶ <u>Brad Feuer</u>	Title ▶ <u>General Counsel</u>		
	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		