

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **March 10, 2026**

BARNES & NOBLE EDUCATION, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of Incorporation)

1-37499
(Commission File Number)

46-0599018
(IRS Employer Identification No.)

**180 Park Avenue, Suite 301,
Florham Park, NJ**
(Address of principal executive offices)

07932
(Zip Code)

(908) 991-2665
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value per share	BNED	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On March 10, 2026, Barnes & Noble Education, Inc. (the “Company”) issued a press release announcing its financial results for the fiscal third quarter ended January 31, 2026 (the “Press Release”). A copy of the Press Release is attached hereto as Exhibit 99.1.

The information in this Form 8-K and the Exhibit attached hereto pertaining to the Company’s financial results shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Cautionary Note Regarding Forward-Looking Statements:

This Current Report on Form 8-K contains “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995 and information relating to us and our business that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this communication, the words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan,” “may,” “should,” “will,” “forecasts,” “projections,” “continue to,” “committed to,” and similar expressions, as they relate to us or our management, identify forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements, and such statements include but are not limited to those related to our positioning, strategic and operational objectives, broader market trends, anticipated growth in our BNC First Day program, expected trends in financial results, including those related to seasonality, as well as forward-looking continued top line growth, anticipated gross profit dollar increases, continued expense discipline, Adjusted EBITDA, interest costs, capital expenditures and long-term projected growth in Adjusted EBITDA. We caution you not to place undue reliance on these forward-looking statements. Such statements reflect our current views with respect to future events, the outcome of which is subject to certain risks, including, but not limited to: the amount of our indebtedness and ability to comply with covenants contained in our credit agreement; our ability to maintain adequate liquidity levels to support ongoing inventory purchases and related vendor payments in a timely manner; slower than anticipated pace of adoption of our BNC First Day® equitable and inclusive access course material models; our dependency on strategic service provider relationships and the potential for adverse operational and financial changes to these strategic service provider relationships; non-renewal of our managed bookstore, physical and/or online store contracts; general competitive conditions; a decline in college enrollment or decreased funding available for students; technological changes, including the adoption of artificial intelligence technologies for educational content; disruptions to our information technology systems, infrastructure, data, supplier systems, and customer ordering and payment systems due to computer malware, viruses, hacking and phishing attacks; disruption of or interference with third party service providers and our own proprietary technology; and changes in applicable domestic and international laws, rules or regulations or changes in enforcement practices, including, without limitation, U.S. tax reform, changes in tax rates, tariffs, import and export control laws and regulations, changes to consumer data privacy rights legislation, as well as related guidance. Moreover, we operate in a very competitive and rapidly changing environment and new risks may emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In addition, the declaration of any future dividends will be subject to further review and approval by the Board in accordance with applicable law. The Board reserves the right to adjust or withdraw any quarterly dividend in future periods as it reviews our capital allocation strategy from time-to-time and ensures compliance with any applicable restrictions, including those set forth in our credit agreement with our lenders.

For a more detailed discussion of these factors, and other factors that could cause actual results to vary materially, interested parties should review the risk factors listed in the Company’s Annual Report on Form 10-K for the year ended May 3, 2025, filed with the SEC on December 23, 2025. Any forward-looking statements made by us in this press release speak only as of the date of this press release, and we do not intend to update these forward-looking statements after the date of this press release, except as required by law.

Item 9.01. Financial Statements and Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of Barnes & Noble Education, Inc., dated March 10, 2026
99.2	Financial Statements and Non-GAAP Reconciliation Tables, dated March 10, 2026
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BARNES & NOBLE EDUCATION, INC.

Date: March 10, 2026

By: /s/ Jason Snagusky

Name: Jason Snagusky

Title: *Chief Financial Officer*



Barnes & Noble Education Reports Fiscal Third Quarter 2026 Financial Results

BNC First Day Program Revenue Increases 32.1%

Net Income of \$6.7 Million and Adjusted EBITDA of \$23.6 Million

Company to Commence Dividend Program in First Quarter of Fiscal 2027

Virtual Investor Day Scheduled for June 25, 2026

Florham Park, NJ, March 10, 2026 - Barnes & Noble Education, Inc. (NYSE: BNED), ("Barnes & Noble Education," "BNED," "the Company," "we," "us," "our"), a leading solutions provider for the education industry, today reported financial results for the fiscal third quarter ended January 31, 2026.

Virtual Investor Day

Barnes & Noble Education has scheduled a virtual investor day for June 25, 2026. Management will provide an overview of the Company's strategy, the growing opportunity surrounding the BNC First Day program, and the Company's financial outlook. Additional details, including registration information, will be provided in the coming weeks.

Fiscal Third Quarter 2026 Financial Results

Revenue for the fiscal third quarter of 2026 was \$515.1 million, an increase of 11.3% compared to \$462.8 million for the third quarter of fiscal 2025. Gross Comparable Store Sales increased by \$33.8 million, or 7.2%, year-over-year.

Revenues from BNC First Day programs increased by \$71.3 million, or 32.1%, year-over-year, to \$293.6 million, as First Day® Complete continues to see strong growth in institutional adoption. A total of 237 campus stores utilized First Day Complete in the spring 2026 academic term with a total enrollment of approximately 1.25 million undergraduate and graduate students,¹ up from 957,000 undergraduate and graduate students in the prior year.

Net income for the fiscal third quarter of 2026 was \$6.7 million compared to net income of \$17.9 million in the prior year. The year-over-year decline in net income primarily reflects the absence of a one-time non-cash \$7.6 million restructuring gain and a \$4.1 million tax benefit recognized in the prior period. Adjusted EBITDA for the fiscal third quarter of 2026 was \$23.6 million, a decrease of \$1.2 million from \$24.8 million in the third quarter of the prior fiscal year, in part due to a decrease in gross margins that is the result of certain timing differences in revenue recognition in the spring rush selling season.

First Nine Months Fiscal 2026 Financial Results

Revenue for the first nine months of fiscal 2026 was \$1,447.7 million, an increase of 9.0% compared to \$1,328.4 million for the first nine months of fiscal 2025. Gross Comparable Store Sales increased by \$86.3 million, or 6.3%, year-over-year.

Revenues from *BNC First Day* programs increased by \$163.0 million, or 30.2%, year-over-year, to \$702.0 million.

Net income for the first nine months of fiscal 2026 was \$13.4 million compared to a net loss of \$42.8 million in the prior year, with the increase in net income driven primarily by a \$55.2 million loss on extinguishment of debt that had been recognized in the prior year period. Adjusted EBITDA for the first nine months of fiscal 2026 was \$61.9 million, an increase of \$3.2 million, or 5.5%, from \$58.7 million in the first nine months of the prior fiscal year.

Barnes & Noble Education's business is highly seasonal, with the major portion of sales and operating profit realized during the second and third fiscal quarters. BNED's fiscal year is comprised of 52 or 53 weeks, ending on the Saturday closest to the last day of April. Fiscal 2026 includes 52 weeks versus 53 weeks for fiscal 2025.

¹ Total undergraduate and graduate student enrollment as reported by National Center for Education Statistics (NCES) as of January 6, 2026.

The following table provides a reconciliation of Net Income (loss), the most directly comparable GAAP financial measure, to Adjusted Net Income (loss), a non-GAAP financial measure, for the periods presented.

Adjusted Net Income (Loss) <i>Dollars in thousands</i>	13 weeks ended		39 weeks ended	
	January 31, 2026	January 25, 2025	January 31, 2026	January 25, 2025
	As Restated		As Restated	
Net income (loss)	\$ 6,655	\$ 17,942	\$ 13,388	\$ (42,821)
Reconciling items (below)	1,552	(1,994)	5,396	1,866
Adjusted Net Income (Loss)	<u>\$ 8,207</u>	<u>\$ 15,948</u>	<u>\$ 18,784</u>	<u>\$ (40,955)</u>
Reconciling items				
Impairment loss ^(a)	\$ 456	\$ 1,713	\$ 456	\$ 1,713
Other (income) expense, net of Investigation expenses	222	(6,268)	(251)	(2,800)
Stock-based compensation expense	874	2,561	5,191	2,953
Reconciling items	<u>\$ 1,552</u>	<u>\$ (1,994)</u>	<u>\$ 5,396</u>	<u>\$ 1,866</u>

The following table provides a reconciliation of Net Income (loss), the most directly comparable GAAP financial measure, to Adjusted EBITDA, a non-GAAP financial measure, for the periods presented.

Adjusted EBITDA <i>Dollars in thousands</i>	13 weeks ended		39 weeks ended	
	January 31, 2026	January 25, 2025	January 31, 2026	January 25, 2025
	As Restated		As Restated	
Net income (loss)	\$ 6,655	\$ 17,942	\$ 13,388	\$ (42,821)
Add:				
Depreciation and amortization expense	7,427	7,827	24,237	29,440
Interest expense, net	4,884	5,083	12,514	18,164
Income tax expense	3,082	(4,108)	6,349	(3,230)
Impairment loss ^(a)	456	1,713	456	1,713
Loss on extinguishment of debt	—	—	—	55,233
Other (income) expense, net of Investigation expenses	222	(6,268)	(251)	(2,800)
Stock-based compensation expense	874	2,561	5,191	2,953
Adjusted EBITDA	<u>\$ 23,600</u>	<u>\$ 24,750</u>	<u>\$ 61,884</u>	<u>\$ 58,652</u>

The following table provides a reconciliation of Net Cash Flows Provided by Operating Activities, the most directly comparable GAAP financial measure, to Adjusted Free Cash Flow, a non-GAAP financial measure, for the periods presented.

Adjusted Free Cash Flow <i>Dollars in thousands</i>	13 weeks ended		39 weeks ended	
	January 31, 2026	January 25, 2025	January 31, 2026	January 25, 2025
	As Restated		As Restated	
Net cash flows provided by operating activities	\$ (29,388)	\$ (41,945)	\$ (30,752)	\$ (138,037)
Less:				
Capital expenditures ^(a)	3,807	2,772	11,858	9,790
Cash interest	3,656	4,633	9,961	14,499
Cash taxes	1,412	67	1,724	(2,018)
Adjusted Free Cash Flow	<u>\$ (38,263)</u>	<u>\$ (49,417)</u>	<u>\$ (54,295)</u>	<u>\$ (160,308)</u>

^(a) Purchases of property and equipment are also referred to as capital expenditures. Our investing activities consist principally of capital expenditures for contractual capital investments associated with renewing existing contracts, new store construction, and enhancements to internal systems and our website.

The following table provides the components of total purchases of property and equipment.

Capital Expenditures <i>Dollars in thousands</i>	13 weeks ended		39 weeks ended	
	January 31, 2026	January 25, 2025	January 31, 2026	January 25, 2025
		As Restated		As Restated
Physical store capital expenditures	\$ 1,975	\$ 1,219	\$ 7,325	\$ 5,059
Product and system development	1,425	1,378	3,700	4,086
Other	407	175	833	645
Total Capital Expenditures	\$ 3,807	\$ 2,772	\$ 11,858	\$ 9,790

Management Commentary

“We continue to execute on our mission of supporting our campus partners’ highest priority goals and improving affordability and access for students,” said Jonathan Shar, Chief Executive Officer of Barnes & Noble Education. “Our BNC First Day programs again delivered strong growth and are continuing to gain momentum. At the same time, our campus retail model is creating value for both our institutional partners and the customers we serve by delivering essential educational content and general merchandise through a dynamic omnichannel environment.”

Shar continued, “We delivered solid growth and profitability. Our focus remains on driving continued growth, enhancing operating leverage through improved gross margins and disciplined expense management, and strengthening sales in our general merchandise business. Reflecting our confidence in the outlook for the business, we plan to initiate a quarterly dividend of \$0.08 per share, or \$0.32 annually, beginning in fiscal Q1 2027.”

We also look forward to hosting a virtual investor day on June 25, 2026, which we will broadcast live from the New York Stock Exchange for investors to join remotely. During the event we will discuss our strategy, outlook, and take questions from investors,” Shar concluded.

Balance Sheet

Total debt as of January 31, 2026 was \$138.4 million compared to \$122.5 million as of November 1, 2025. After subtracting \$10.1 million of cash on hand as of January 31, 2026, total net debt was \$128.3 million.

The Company’s net working capital position was \$245.9 million as of January 31, 2026 compared to \$186.2 million as of May 3, 2025.

Dividend Program

Beginning in the first quarter of fiscal 2027, the Company intends to declare a regular quarterly dividend of \$0.08 per share. This is equal to an approximate 3.5% annual dividend yield at \$8.80 per share.

Outlook

Barnes & Noble Education is reiterating its previously issued fiscal 2026 outlook, as shared on January 20, 2026, and continues to expect top-line growth despite one fewer operating week and broader market uncertainties in the higher education and retail sectors. The Company currently expects Adjusted EBITDA in the range of \$65 million to \$75 million, representing year-over-year growth, supported by anticipated gross profit dollar growth and continued expense discipline. The Company also anticipates a material reduction in interest expense compared to the prior fiscal year, approximately \$18 million in capital expenditures, and expects to be a normal cash taxpayer.

Looking ahead to fiscal 2027, the Company sees meaningful opportunities to improve gross margins and is targeting Adjusted EBITDA growth of 15% to 20% or more.

Use of Non-GAAP Financial Information – Adjusted Income (Loss), Adjusted EBITDA and Adjusted Free Cash Flow

To supplement the Company’s consolidated financial statements presented in accordance with generally accepted accounting principles (“GAAP”), the Company uses the financial measures of Adjusted Income (Loss), Adjusted EBITDA, and Adjusted Free Cash Flow, which are non-GAAP financial measures under Securities and Exchange Commission (the “SEC”) regulations. We define Adjusted Income (Loss) as net income (loss) adjusted for certain reconciling items that are subtracted from or added

to net income (loss). We define Adjusted EBITDA as net income (loss) plus (1) depreciation and amortization; (2) interest expense, net and (3) income taxes, (4) as adjusted for certain other non-cash or non-recurring items, and adjustments defined in the Company's credit agreement. We define Adjusted Free Cash Flow as Cash Flows from Operating Activities less capital expenditures, cash interest and cash taxes.

These non-GAAP measures have been reconciled to the most comparable financial measures presented in accordance with GAAP as follows: the reconciliation of Adjusted Income (Loss) to net income (loss); the reconciliation of consolidated Adjusted EBITDA to consolidated net income (loss); and the reconciliation of Adjusted Free Cash Flow to Cash Flows from Operating Activities. All of the items included in the reconciliations are either (i) non-cash items or (ii) items that management does not consider in assessing our on-going operating performance.

These non-GAAP financial measures are not intended as substitutes for and should not be considered superior to measures of financial performance prepared in accordance with GAAP. In addition, the Company's use of these non-GAAP financial measures may be different from similarly named measures used by other companies, limiting their usefulness for comparison purposes.

We review these non-GAAP financial measures as internal measures to evaluate our performance at a consolidated level to manage our operations. We believe that these measures are useful performance measures which are used by us to facilitate a comparison of our on-going operating performance on a consistent basis from period-to-period. We believe that these non-GAAP financial measures provide for a more complete understanding of factors and trends affecting our business than measures under GAAP can provide alone, as they exclude certain items that management believes do not reflect the ordinary performance of our operations in a particular period. Our Board of Directors and management also use Adjusted EBITDA at a consolidated level as one of the primary methods for planning and forecasting expected performance, for evaluating on a quarterly and annual basis actual results against such expectations, and as a measure for performance incentive plans. We believe that the inclusion of Adjusted Income (Loss) and Adjusted EBITDA results provides investors useful and important information regarding our operating results, in a manner that is consistent with management's evaluation of business performance. We believe that Adjusted Free Cash Flow provides useful additional information concerning cash flow available to meet future debt service obligations and working capital requirements and assists investors in their understanding of our operating profitability and liquidity as we manage the business to maximize margin and cash flow.

ABOUT BARNES & NOBLE EDUCATION, INC.

Barnes & Noble Education, Inc. (NYSE: BNED) is a leading solutions provider for the education industry, driving affordability, access and achievement at hundreds of academic institutions nationwide and ensuring millions of students are equipped for success in the classroom and beyond. Through its family of brands, BNED offers campus retail services and academic solutions, wholesale capabilities and more. BNED is a company serving all who work to elevate their lives through education, supporting students, faculty and institutions as they make tomorrow a better and smarter world. For more information, visit www.bned.com.

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Forward-Looking Statements

This press release contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and information relating to us and our business that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this communication, the words "anticipate," "believe," "estimate," "expect," "intend," "plan," "may," "should," "will," "forecasts," "projections," "continue to," "committed to," and similar expressions, as they relate to us or our management, identify forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements, and such statements include but are not limited to those related to our positioning, strategic and operational objectives, broader market trends, anticipated growth in our BNC First Day program, expected trends in financial results, including those related to seasonality, as well as forward-looking continued top line growth, anticipated gross profit dollar increases, continued expense discipline, Adjusted EBITDA, interest costs, capital expenditures and long-term projected growth in Adjusted EBITDA. We caution you not to place undue reliance on these forward-looking statements. Such statements reflect our current views with respect to future events, the outcome of which is subject to certain risks, including, but not limited to: the amount of our indebtedness and ability to comply with covenants contained in our credit agreement; our ability to maintain adequate liquidity levels to support ongoing inventory purchases and related vendor payments in a timely manner; slower than anticipated pace of adoption of our BNC

First Day® equitable and inclusive access course material models; our dependency on strategic service provider relationships and the potential for adverse operational and financial changes to these strategic service provider relationships; non-renewal of our managed bookstore, physical and/or online store contracts; general competitive conditions; a decline in college enrollment or decreased funding available for students; technological changes, including the adoption of artificial intelligence technologies for educational content; disruptions to our information technology systems, infrastructure, data, supplier systems, and customer ordering and payment systems due to computer malware, viruses, hacking and phishing attacks; disruption of or interference with third party service providers and our own proprietary technology; and changes in applicable domestic and international laws, rules or regulations or changes in enforcement practices, including, without limitation, U.S. tax reform, changes in tax rates, tariffs, import and export control laws and regulations, changes to consumer data privacy rights legislation, as well as related guidance. Moreover, we operate in a very competitive and rapidly changing environment and new risks may emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In addition, the declaration of any future dividends will be subject to further review and approval by the Board in accordance with applicable law. The Board reserves the right to adjust or withdraw any quarterly dividend in future periods as it reviews our capital allocation strategy from time-to-time and ensures compliance with any applicable restrictions, including those set forth in our credit agreement with our lenders.

For a more detailed discussion of these factors, and other factors that could cause actual results to vary materially, interested parties should review the risk factors listed in the Company's Annual Report on Form 10-K for the year ended May 3, 2025, filed with the SEC on December 23, 2025. Any forward-looking statements made by us in this press release speak only as of the date of this press release, and we do not intend to update these forward-looking statements after the date of this press release, except as required by law.

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

	13 weeks ended		39 weeks ended	
	January 31, 2026	January 25, 2025	January 31, 2026	January 25, 2025
Sales:		As Restated		As Restated
Product sales and other	\$ 471,825	\$ 419,663	\$ 1,344,215	\$ 1,230,263
Rental income	43,267	43,162	103,451	98,115
Total sales	515,092	462,825	1,447,666	1,328,378
Cost of sales (exclusive of depreciation and amortization expense):				
Product and other cost of sales	394,782	343,559	1,109,131	1,005,970
Rental cost of sales	24,212	25,516	57,223	55,185
Total cost of sales	418,994	369,075	1,166,354	1,061,155
Gross profit	96,098	93,750	281,312	267,223
Selling and administrative expenses	72,551	71,561	217,714	211,524
Depreciation and amortization expense	7,427	7,827	24,237	29,440
Impairment loss (non-cash) ^(a)	456	1,713	456	1,713
Other expense	1,043	(6,268)	6,654	(2,800)
Operating income	14,621	18,917	32,251	27,346
Loss on extinguishment of debt ^(a)	—	—	—	55,233
Interest expense, net	4,884	5,083	12,514	18,164
Income (loss) before income taxes	9,737	13,834	19,737	(46,051)
Income tax expense	3,082	(4,108)	6,349	(3,230)
Net income (loss)	\$ 6,655	\$ 17,942	\$ 13,388	\$ (42,821)
Income (loss) per Common Stock:				
Basic:				
Total Basic Income (loss) per share	\$ 0.19	\$ 0.59	\$ 0.39	\$ (1.82)
Weighted average common shares outstanding - Basic	34,450,101	30,507,723	34,290,185	23,515,188
Diluted:				
Total Diluted Income (loss) per share	\$ 0.19	\$ 0.59	\$ 0.39	\$ (1.82)
Weighted average common shares outstanding - Diluted	34,663,763	30,642,958	34,599,168	23,515,188

(a) For additional information, see the Notes in the Non-GAAP disclosure information of this Press Release.

	13 weeks ended		39 weeks ended	
	January 31, 2026	January 25, 2025	January 31, 2026	January 25, 2025
		As Restated		As Restated
Percentage of sales:				
Sales:				
Product sales and other	91.6 %	90.7 %	92.9 %	92.6 %
Rental income	8.4 %	9.3 %	7.1 %	7.4 %
Total sales	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales (exclusive of depreciation and amortization expense):				
Product and other cost of sales ^(a)	83.7 %	81.9 %	82.5 %	81.8 %
Rental cost of sales ^(a)	56.0 %	59.1 %	55.3 %	56.2 %
Total cost of sales	81.3 %	79.7 %	80.6 %	79.9 %
Gross profit	18.7 %	20.3 %	19.4 %	20.1 %
Selling and administrative expenses	14.1 %	15.5 %	15.0 %	15.9 %
Depreciation and amortization expense	1.4 %	1.7 %	1.7 %	2.2 %
Impairment loss (non-cash)	0.1 %	0.4 %	— %	0.1 %
Other expense	0.2 %	(1.4)%	0.5 %	(0.2)%
Operating income	2.9 %	4.1 %	2.2 %	2.1 %

(a) Represents the percentage these costs bear to the related sales, instead of total sales.

BARNES & NOBLE EDUCATION, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(In thousands, except share and per share data)
(Unaudited)

	January 31, 2026	May 3, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 10,139	\$ 9,058
Receivables, net	416,425	98,077
Merchandise inventories, net	329,425	299,562
Textbook rental inventories	43,662	26,439
Prepaid expenses and other current assets	26,095	32,249
Total current assets	<u>825,746</u>	<u>465,385</u>
Property and equipment, net	37,182	40,229
Operating lease right-of-use assets	180,535	183,695
Intangible assets, net	67,924	78,241
Other noncurrent assets	18,921	22,735
Total assets	<u>\$ 1,130,308</u>	<u>\$ 790,285</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 319,236	\$ 148,848
Accrued liabilities	186,919	65,853
Current operating lease liabilities	73,653	64,524
Total current liabilities	<u>579,808</u>	<u>279,225</u>
Long-term deferred taxes, net	85	1,135
Long-term operating lease liabilities	103,959	115,495
Other long-term liabilities	18,082	19,142
Long-term borrowings	138,400	103,100
Total liabilities	<u>840,334</u>	<u>518,097</u>
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.01 par value; authorized, 5,000,000 shares; issued and outstanding, none	—	—
Common stock, \$0.01 par value; authorized, 200,000,000 shares; issued, 34,321,836 and 34,081,114 shares, respectively; outstanding, 34,294,569 and 34,053,847 shares, respectively	343	341
Additional paid-in-capital	1,011,370	1,006,974
Accumulated deficit	(699,183)	(712,571)
Treasury stock, at cost	(22,556)	(22,556)
Total stockholders' equity	<u>289,974</u>	<u>272,188</u>
Total liabilities and stockholders' equity	<u>\$ 1,130,308</u>	<u>\$ 790,285</u>

BARNES & NOBLE EDUCATION, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flow
(In thousands)
(Unaudited)

	39 weeks ended	
	January 31, 2026	January 25, 2025 As Restated
Cash flows from operating activities:		
Net income (loss)	\$ 13,388	\$ (42,821)
Adjustments to reconcile net income (loss) from operations to net cash flows from operating activities:		
Depreciation and amortization expense	24,237	29,440
Amortization of deferred financing costs	2,747	4,248
Impairment loss (non-cash)	456	1,713
Loss on extinguishment of debt	—	55,233
Deferred taxes	(1,050)	2,960
Pension adjustments	—	—
Stock-based compensation expense	5,191	2,953
Changes in operating lease right-of-use assets and liabilities	624	(322)
Changes in other long-term assets and liabilities, net	1,031	(6,006)
Changes in other operating assets and liabilities, net:		
Receivables, net	(318,348)	(244,681)
Merchandise inventories, net	(29,863)	17,212
Textbook rental inventories	(17,223)	(8,041)
Prepaid expenses and other current assets	(5,273)	(5,535)
Accounts payable and accrued liabilities	293,331	55,610
Changes in other operating assets and liabilities	(77,376)	(185,435)
Net cash flows used in operating activities	\$ (30,752)	\$ (138,037)
Cash flows from investing activities:		
Purchases of property and equipment	\$ (11,781)	\$ (9,790)
Net change in other noncurrent assets	—	792
Net cash flows used in investing activities	\$ (11,781)	\$ (8,998)
Cash flows from financing activities:		
Proceeds from borrowings	\$ 604,000	\$ 667,355
Repayments of borrowings	(568,700)	(691,121)
Proceeds from Private Equity Investment	—	50,000
Proceeds from Rights Offering	—	45,000
Proceeds from sales of Common Stock under ATM facility, net of commissions	—	78,450
Payment of equity issuance costs	(795)	(9,724)
Payment of deferred financing costs	(1,900)	(5,569)
Purchase of treasury shares	—	(4)
Proceeds from principal stockholder expense reimbursement	—	1,190
Payment of finance lease principal	(371)	(385)
Net cash flows provided by financing activities	\$ 32,234	\$ 135,192
Net increase (decrease) in cash, cash equivalents and restricted cash	\$ (10,299)	\$ (11,843)
Cash, cash equivalents and restricted cash at beginning of period	28,723	28,570
Cash, cash equivalents, and restricted cash at end of period	\$ 18,424	\$ 16,727

BARNES & NOBLE EDUCATION, INC. AND SUBSIDIARIES
Non-GAAP Information ^(a)
(In thousands)
(Unaudited)

Adjusted Net Income (Loss) ^(a)	13 weeks ended		39 weeks ended	
	January 31, 2026	January 25, 2025	January 31, 2026	January 25, 2025
		As Restated		As Restated
Net income (loss)	\$ 6,655	\$ 17,942	\$ 13,388	\$ (42,821)
Reconciling items (below)	1,552	(1,994)	5,396	1,866
Adjusted Net Income (Loss)	<u>\$ 8,207</u>	<u>\$ 15,948</u>	<u>\$ 18,784</u>	<u>\$ (40,955)</u>
Reconciling items				
Impairment loss (non-cash) ^(b)	\$ 456	\$ 1,713	\$ 456	\$ 1,713
Other (income) expense, net of Investigation expenses	222	(6,268)	(251)	(2,800)
Stock-based compensation expense	874	2,561	5,191	2,953
Reconciling items	<u>\$ 1,552</u>	<u>\$ (1,994)</u>	<u>\$ 5,396</u>	<u>\$ 1,866</u>
Adjusted EBITDA ^(a)	13 weeks ended		39 weeks ended	
	January 31, 2026	January 25, 2025	January 31, 2026	January 25, 2025
		As Restated		As Restated
Net income (loss)	\$ 6,655	\$ 17,942	\$ 13,388	\$ (42,821)
Add:				
Depreciation and amortization expense	7,427	7,827	24,237	29,440
Interest expense, net	4,884	5,083	12,514	18,164
Income tax expense	3,082	(4,108)	6,349	(3,230)
Impairment loss (non-cash)	456	1,713	456	1,713
Loss on extinguishment of debt	—	—	—	55,233
Other (income) expense, net of Investigation expenses	222	(6,268)	(251)	(2,800)
Stock-based compensation expense	874	2,561	5,191	2,953
Adjusted EBITDA	<u>\$ 23,600</u>	<u>\$ 24,750</u>	<u>\$ 61,884</u>	<u>\$ 58,652</u>

(a) For additional information, see "Use of Non-GAAP Financial Information" in the Non-GAAP disclosure information of this Press Release.

Free Cash Flow (non-GAAP) ^(a)

<i>Dollars in thousands</i>	13 weeks ended		39 weeks ended	
	January 31, 2026	January 25, 2025	January 31, 2026	January 25, 2025
	As Restated		As Restated	
Net cash flows (used in) provided by operating activities	\$ (29,388)	\$ (41,945)	\$ (30,752)	\$ (138,037)
Less:				
Capital expenditures ^(b)	3,807	2,772	11,858	9,790
Cash interest	3,656	4,633	9,961	14,499
Cash taxes	1,412	67	1,724	(2,018)
Free Cash Flow (non-GAAP)	\$ (38,263)	\$ (49,417)	\$ (54,295)	\$ (160,308)

(a) For additional information, see "Use of Non-GAAP Financial Information" in the Non-GAAP disclosure information of this Press Release.

(b) Purchases of property and equipment are also referred to as capital expenditures. Our investing activities consist principally of capital expenditures for contractual capital investments associated with renewing existing contracts, new store construction, digital initiatives and enhancements to internal systems and our website.

The following table provides the components of total purchases of property and equipment:

Capital Expenditures <i>Dollars in thousands</i>	13 weeks ended		39 weeks ended	
	January 31, 2026	January 25, 2025	January 31, 2026	January 25, 2025
	As Restated		As Restated	
Physical store capital expenditures	\$ 1,975	\$ 1,219	\$ 7,325	\$ 5,059
Product and system development	1,425	1,378	3,700	4,086
Other	407	175	833	645
Total Capital Expenditures	\$ 3,807	\$ 2,772	\$ 11,858	\$ 9,790

Use of Non-GAAP Financial Information - Adjusted Income (Loss), Adjusted EBITDA and Adjusted Free Cash Flow

To supplement the Company's consolidated financial statements presented in accordance with generally accepted accounting principles ("GAAP"), the Company uses the financial measures of Adjusted Income (Loss), Adjusted EBITDA, and Adjusted Free Cash Flow, which are non-GAAP financial measures under Securities and Exchange Commission (the "SEC") regulations. We define Adjusted Income (Loss) as net income (loss) adjusted for certain reconciling items that are subtracted from or added to net income (loss). We define Adjusted EBITDA as net income (loss) plus (1) depreciation and amortization; (2) interest expense, net and (3) income taxes, (4) as adjusted for certain other non-cash or non-recurring items, and adjustments defined in the Company's credit agreement. We define Adjusted Free Cash Flow as Cash Flows from Operating Activities less capital expenditures, cash interest and cash taxes.

These non-GAAP measures have been reconciled to the most comparable financial measures presented in accordance with GAAP as follows: the reconciliation of Adjusted Income (Loss) to net income (loss); the reconciliation of consolidated Adjusted EBITDA to consolidated net income (loss); and the reconciliation of Adjusted Free Cash Flow to Cash Flows from Operating Activities. All of the items included in the reconciliations are either (i) non-cash items or (ii) items that management does not consider in assessing our on-going operating performance.

These non-GAAP financial measures are not intended as substitutes for and should not be considered superior to measures of financial performance prepared in accordance with GAAP. In addition, the Company's use of these non-GAAP financial measures may be different from similarly named measures used by other companies, limiting their usefulness for comparison purposes.

We review these non-GAAP financial measures as internal measures to evaluate our performance at a consolidated level to manage our operations. We believe that these measures are useful performance measures which are used by us to facilitate a comparison of our on-going operating performance on a consistent basis from period-to-period. We believe that these non-GAAP financial measures provide for a more complete understanding of factors and trends affecting our business than measures under GAAP can provide alone, as they exclude certain items that management believes do not reflect the ordinary performance of our operations in a particular period. Our Board of Directors and management also use Adjusted EBITDA at a consolidated level as one of the primary methods for planning and forecasting expected performance, for evaluating on a quarterly and annual basis actual results against such expectations, and as a measure for performance incentive plans. We believe that the inclusion of Adjusted Income (Loss) and Adjusted EBITDA results provides investors useful and important information regarding our operating results, in a manner that is consistent with management's evaluation of business performance. We believe that Adjusted Free Cash Flow provides useful additional information concerning cash flow available to meet future debt service obligations and working capital requirements and assists investors in their understanding of our operating profitability and liquidity as we manage the business to maximize margin and cash flow.