

KLIPPER MITCHELL S
Form 4
January 12, 2006

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
KLIPPER MITCHELL S

2. Issuer Name and Ticker or Trading Symbol
BARNES & NOBLE INC [BKS]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
C/O BARNES & NOBLE INC., 122 FIFTH AVENUE

3. Date of Earliest Transaction (Month/Day/Year)
01/10/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Chief Operating Officer

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

NEW YORK, NY 10011

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	01/10/2006		M		200,000 <u>(1)</u>	A	\$ 13.2265 <u>(1)</u> 222,060 D
Common Stock	01/10/2006		M		100,000 <u>(1)</u>	A	\$ 11.87 <u>(1)</u> 322,060 D
Common Stock	01/10/2006		M		100,000 <u>(1)</u>	A	\$ 13.5939 <u>(1)</u> 422,060 D
Common Stock	01/10/2006		S		400,000 <u>(2)</u>	D	\$ 42.1187 22,060 D

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

The number of shares subject to such options and the related exercise price have been adjusted to reflect the Issuer's spin-off transaction effected on November 12, 2004 which divided all outstanding exercise prices by 1.41534 and multiplied all related shares by the same number.

(1) Represents the sale of 400,000 shares in thirty separate transactions at prices ranging from \$41.88 to \$42.50 per share, resulting in a weighted average sale price per share of \$42.1187.

(2) Of these, options with respect to 86,010 shares vested on February 18, 2004 and the balance vested on February 18, 2005.

(3) Of these, options with respect to 35,383 shares vested on each of February 18, 2003 and February 18, 2004 and the balance vested on February 18, 2005.

(4) Of these, options with respect to 94,335 shares vested on February 18, 2004 and the balance vested on February 18, 2005.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.