B1 (Official Form 1) (4/10)

UNITED STATES BANKRUPTCY COURT Southern District of New York	VOLUNTARY PETITION
Name of Debtor (if individual, enter Last, First, Middle): Borders Group, Inc.	Name of Joint Debtor (Spouse) (Last, First, Middle): N/A
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): None	All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names): N/A
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all): 4588	Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all): N/A
Street Address of Debtor (No. and Street, City, and State): 100 Phoenix Drive Ann Arbor, Michigan ZIP CODE 48108	Street Address of Joint Debtor (No. and Street, City, and State): N/A ZIP CODE N/A
County of Residence or of the Principal Place of Business: Washtenaw	County of Residence or of the Principal Place of Business: N/A
Mailing Address of Debtor (if different from street address): N/A ZIP CODE N/A	Mailing Address of Joint Debtor (if different from street address): N/A ZIP CODE N/A

Location of Principal Assets of Business Debtor (if different from street address above):
N/A
ZIP CODE N/A

Type of Debtor
(Form of Organization)
(Check **one** box.)

- ☐ Individual (includes Joint Debtors)
  See Exhibit D on page 2 of this form.
- ☑ Corporation (includes LLC and LLP)
- ☐ Partnership
- ☐ Other (If debtor is not one of the above entities, check this box and state type of entity below.)

Nature of Business
(Check **one** box.)

- ☐ Health Care Business
- ☐ Single Asset Real Estate as defined in 11 U.S.C. § 101(51B)
- ☐ Railroad
- ☐ Stockbroker
- ☐ Commodity Broker
- ☐ Clearing Bank
- ☑ Other

Retail

Tax-Exempt Entity
(Check box, if applicable.)

- ☐ Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).

Chapter of Bankruptcy Code Under Which the Petition is Filed (Check **one** box.)

- ☐ Chapter 7
- ☐ Chapter 9
- ☑ Chapter 11
- ☐ Chapter 12
- ☐ Chapter 13
- ☐ Chapter 15 Petition for Recognition of a Foreign Main Proceeding
- ☐ Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding

Nature of Debts
(Check one box.)

- ☐ Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or house-hold purpose."
- ☑ Debts are primarily business debts.

Filing Fee (Check one box.)

- ☑ Full Filing Fee attached.
- ☐ Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A.
- ☐ Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.

Chapter 11 Debtors

Check one box:
- ☐ Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D).
- ☑ Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).

Check if:
- ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than $2,343,300 (*amount subject to adjustment on 4/01/13 and every three years thereafter*).

Check all applicable boxes:
- ☐ A plan is being filed with this petition.
- ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).

Statistical/Administrative Information

THIS SPACE IS FOR COURT USE ONLY

- ☑ Debtor estimates that funds will be available for distribution to unsecured creditors.
- ☐ Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

Estimated Number of Creditors

☑ 1-49	☐ 50-99	☐ 100-199	☐ 200-999	☐ 1,000-5,000	☐ 5,001-10,000	☐ 10,001-25,000	☐ 25,001-50,000	☐ 50,001-100,000	☐ Over 100,000

Estimated Assets

☐ $0 to $50,000	☐ $50,001 to $100,000	☐ $100,001 to $500,000	☐ $500,001 to $1 million	☐ $1,000,001 to $10 million	☐ $10,000,001 to $50 million	☐ $50,000,001 to $100 million	☑ $100,000,001 to $500 million	☐ $500,000,001 to $1 billion	☐ More than $1 billion

Estimated Liabilities

☐ $0 to $50,000	☐ $50,001 to $100,000	☐ $100,001 to $500,000	☐ $500,001 to $1 million	☐ $1,000,001 to $10 million	☐ $10,000,001 to $50 million	☐ $50,000,001 to $100 million	☑ $100,000,001 to $500 million	☐ $500,000,001 to $1 billion	☐ More than $1 billion

Voluntary Petition *(This page must be completed and filed in every case.)*	Name of Debtor(s): Borders Group, Inc.	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)		
Location Where Filed: NONE	Case Number: N/A	Date Filed:
Location Where Filed: N/A	Case Number: N/A	Date Filed:
Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet.)		
Name of Debtor: SEE ANNEX 1	Case Number: PENDING	Date Filed:
District: Southern District of New York	Relationship: SEE ANNEX 1	Judge: PENDING

Exhibit A

(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)

☑ Exhibit A is attached and made a part of this petition.

Exhibit B

(To be completed if debtor is an individual whose debts are primarily consumer debts.)

I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. § 342(b).

X ______________________________
Signature of Attorney for Debtor(s) (Date)

Exhibit C

Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?

☐ Yes, and Exhibit C is attached and made a part of this petition.

☑ No.

Exhibit D

(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)

☐ Exhibit D completed and signed by the debtor is attached and made a part of this petition.

If this is a joint petition:

☐ Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.

Information Regarding the Debtor - Venue
(Check any applicable box.)

☑ Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.

☐ There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

☐ Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.

Certification by a Debtor Who Resides as a Tenant of Residential Property
(Check all applicable boxes.)

☐ Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)

____
(Name of landlord that obtained judgment)

____
(Address of landlord)

☐ Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and

☐ Debtor has included with this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.

☐ Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).

Voluntary Petition
(This page must be completed and filed in every case.)

Name of Debtor(s):
Borders Group, Inc.

Signatures

Signature(s) of Debtor(s) (Individual/Joint)

I declare under penalty of perjury that the information provided in this petition is true and correct.
[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.
[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X ______________________________
Signature of Debtor

X ______________________________
Signature of Joint Debtor

____
Telephone Number (if not represented by attorney)

____
Date

Signature of Attorney*

X ______________________________
Signature of Attorney for Debtor(s)

David M. Friedman
Printed Name of Attorney for Debtor(s)

Kasowitz, Benson, Torres & Friedman LLP
Firm Name

1633 Broadway
New York, New York 10019
Address

212-506-1700
Telephone Number

2/16/2011
Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests the relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X ______________________________
Signature of Authorized Individual

Scott Henry
Printed Name of Authorized Individual

Chief Financial Officer
Title of Authorized Individual

2/16/2011
Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only **one** box.)

☐ I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.

☐ Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X ______________________________
(Signature of Foreign Representative)

____
(Printed Name of Foreign Representative)

____
Date

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

____
Printed Name and title, if any, of Bankruptcy Petition Preparer

____
Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social-Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

____
Address

X ______________________________

____
Date

Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social-Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.

<u>ANNEX 1</u>

Pending Bankruptcy Cases Filed By Any
<u>Affiliate Of The Debtor</u>

1. Each of the affiliated entities listed below has also filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "<u>Bankruptcy Code</u>") in the United States Bankruptcy Court for the Southern District of New York. Such entities shortly will file a motion requesting that their chapter 11 cases be consolidated for procedural purposes only and jointly administered.

DEBTOR ENTITY	**CASE NO.**	**DATE FILED**
Borders International Services, Inc.	11 -	February 16, 2011
Borders, Inc.	11 -	February 16, 2011
Borders Direct, LLC	11 -	February 16, 2011
Borders Properties, Inc.	11 -	February 16, 2011
Borders Online, Inc.	11 -	February 16, 2011
Borders Online, LLC	11 -	February 16, 2011
BGP (UK), Limited	11 -	February 16, 2011

Note Regarding Petition and Exhibits Thereto:

Each Debtor reserves all rights under the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the applicable local rules to amend its respective Voluntary Petition and any related lists, exhibits, schedules or statements at any time during these chapter 11 cases as each may deem necessary or appropriate.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	**Chapter 11**
BORDERS GROUP, INC.,	**Case No. 11-______ (___)**
Debtors.	**(Joint Administration Pending)**

EXHIBIT "A" TO VOLUNTARY PETITION

1. The debtor has securities registered under Section 12 of the Securities and Exchange Act of 1934. The debtor's SEC file number is 001-13740.

2. The following financial data is the latest available information and refers to the debtor's condition as of December 25, 2010.

a.	Total Assets		$1,275,430,500.00
b.	Total Debts		$1,293,112,600.00
c.	Debt securities held by more than 500 holders.	Amount	Approximate Number of Holders
	secured ☐ unsecured ☐ subordinated ☐	NONE	________
d.	Numbers of shares of preferred stock		NONE
e.	Number of shares of common stock		72,072,310[1]
	Comments, if any: ________________		

3. Brief description of debtor's business: Borders is a leading operator of book, music and movie superstores and mall-based bookstores. At January 29, 2011, the Debtors operated 642 stores, under the Borders, Waldenbooks, Borders Express and Borders Outlet names, as well as Borders-branded airport stores in the United States, of which 639 stores are located in the United States and 3 in Puerto Rico. Two of Borders' flagship stores (along with other less prominent stores) are located in Manhattan. In addition, the Debtors operate a proprietary e-commerce web site, www.Borders.com, launched in May 2008, which includes both in-store and online e-commerce components. As of February 11, 2011, the Debtors employed a total of approximately 6,100 full-time employees, approximately 11,400 part-time employees, and approximately 600 contingent employees (who are required to work one shift per month, and usually do so at special events), all of whom are located in the United States and Puerto Rico. The Debtors' employees are not subject to any collective bargaining agreements.

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[1] As of October 30, 2010.

4. List the names of any person who directly or indirectly owns, controls, or holds, with power to vote 5% or more of the voting securities of debtor: Pershing Square Capital Management, L. P., LeBow Gamma Limited Partnership, UBS AG, and Bennett S. LeBow

SECRETARY'S CERTIFICATE OF RESOLUTIONS OF THE BOARD OF DIRECTORS OF BORDERS GROUP, INC.

I, Matthew A. Chosid, the undersigned Secretary of Borders Group, Inc., a Michigan corporation (the "Company"), do hereby certify that, at a meeting of the Board of Directors of the Company held on February 15, 2011, the following resolutions were adopted and recorded in the minute book of the Company, and they have not been modified or rescinded, and are still in full force and effect:

Re: Chapter 11 Bankruptcy Filing

RESOLVED, that it is desirable and in the best interests of the Company, its creditors, shareholders, employees and other interested parties that a voluntary petition under the Bankruptcy Code be filed on behalf of the Company (the "Petition") in the United States Bankruptcy Court for the Southern District of New York and the same is hereby authorized and approved; and it is further,

RESOLVED, that chief executive officer, chief financial officer, president, any vice president, the secretary and the treasurer, of the Company (each, an "Authorized Officer," and collectively, the "Authorized Officers") be, and each of them hereby is, authorized, empowered and directed, in the name and on behalf of the Company to prepare, execute and verify the Petition in such form as the officer executing the same shall deem appropriate and as required by law and to file such petition, thereby commencing the chapter 11 case in the appropriate court together with such statements, schedules, exhibits and reports as may be required from time to time by the bankruptcy court, the Bankruptcy Rules or order of court, and to prepare and execute all other papers and take all other actions necessary or appropriate in connection with the Company's chapter 11 case, or any superseding or other bankruptcy case; and it is further,

RESOLVED, that the officers of the Company be, and they hereby are, authorized and directed to finalize and implement a store closure, store liquidation and lease modification plan, substantially in accordance with the summary thereof presented to the Board of Directors, subject to such modifications thereto as such officers may deem necessary or advisable in order to give effect to and carry out the general purposes of such plan as presented to the Board of Directors, and that such officers be, and they hereby are, authorized and directed to retain such advisors, liquidation firms and other agents and representatives in connection with the implementation of such plan as such officers deemed necessary or advisable, and to pay the fees and expenses of such advisors, firms, agents and representations in connection therewith, and it is further

RESOLVED, that the law firm of Kasowitz, Benson, Torres & Friedman LLP, 1633 Broadway, New York, New York 10019, be, and hereby is, employed as attorneys for the Company in the Company's chapter 11 case under a general retainer; and it is further,

RESOLVED, that the investment bank, Jefferies & Company, Inc. be, and hereby is, engaged to provide financial and restructuring advisory services to the Company in the Company's chapter 11 case, subject to any requisite approval of the Bankruptcy Court; and it is further

RESOLVED, that the firm of Garden City Group, Inc., be and hereby is, engaged to act as claims agent and provide professional services in that regard to the Company in the Company's chapter 11 case, subject to any requisite approval of the Bankruptcy Court; and it is further

RESOLVED, that the consulting firm, DJM Property Management be, and hereby is, engaged to provide lease and real estate advisory services to the Company in the Company's chapter 11 case, subject to any requisite approval of the Bankruptcy Court, and it is further

RESOLVED, that the consulting firm, AP Services, LLC be, and hereby is, engaged to provide interim management and restructuring services to the Company in the Company's chapter 11 case, subject to any requisite approval of the Bankruptcy Court; and it is further

RESOLVED, that Ken Hiltz be, and hereby is elected and appointed to serve as Senior Vice President – Restructuring of the Company; and it is further

RESOLVED, that each of the Authorized Officers, and such other officers of the Company as the Authorized Officers shall from time to time designate, be, and each hereby is, authorized, empowered and directed in the name and on behalf of the Company to take any and all such further actions as he/she determines to be necessary or helpful to these purposes, including to retain and employ other attorneys, investment bankers, accountants, and other professionals to assist in the Company's chapter 11 case, or to terminate or discharge such professionals, on such terms as such Authorized Officer deems necessary, proper, or desirable; and it is further,

RESOLVED, that each of the Authorized Officers, and such other officers of the Company as the Authorized Officers shall from time to time designate, be, and each hereby is, authorized, empowered and directed, in the name and on behalf of the Company, to execute and deliver appropriate agreements for the use of post-petition financing in connection with the Company's chapter 11 case, including the granting of liens to such lender(s) to such agreement(s), and to take such additional action and to execute and deliver each other agreement, instrument or document proposed to be executed and delivered by or on behalf of the Company pursuant thereto or in connection therewith, all with such changes therein and additions thereto as any such officer may approve, such approval to be conclusively evidenced by the taking of such action or by the execution and delivery thereof; and it is further

RESOLVED, that each of the Authorized Officers, and such other officers of the Company as the Authorized Officers shall from time to time designate, be, and each hereby is, authorized, empowered and directed in the name and on behalf of the Company to take any and all such further actions, to execute and deliver any and all such agreements, certificates, instruments, amendments and other documents and to pay all expenses, including filing fees, in each case as any of such officers may determine to be necessary or helpful to carry out the intention of the foregoing resolutions; and it is further

RESOLVED, that any and all past actions heretofore taken by officers or directors of the Company in the name and on behalf of the Company in furtherance of any or all of the preceding resolutions be, and the same hereby are, ratified, approved, and adopted.

* * * * *

IN WITNESS WHEREOF, the undersigned has executed and delivered this Secretary's Certificate this 15 day of February, 2011.

[signature]

Name: Matthew A. Chosid
Title: Secretary

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	**Chapter 11**
BORDERS GROUP, INC., *et al.*,[1]	**Case No. 11-______ (___)**
Debtors.	**(Joint Administration Pending)**

CONSOLIDATED LIST OF CREDITORS HOLDING 30 LARGEST UNSECURED CLAIMS

Following is the list of Borders Group, Inc.'s creditors holding the 30 largest unsecured claims.

The list has been prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101(31), or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the twenty largest unsecured claims.

(1) *Name of creditor and complete mailing address, including zip code*	(2) *Name, telephone number and complete mailing address, including zip code, of employee, agent or department of creditor familiar with claim who may be contacted*	(3) *Nature of claim (trade debt, bank loan, government contract, etc.)*	(4) *Indicate if claim is contingent, unliquidated, disputed or subject to setoff*	(5) *Amount of claim (if secured also state value of security)* *(in thousands)*
Penguin Putnam Inc. 200 Old Tappan Road Bldg. 1 Attn: Lindsay Carter Old Tappan, NJ 07675	Jim Crofton Phone: (201) 767-2918 Fax: (201) 767-5029 jim.crofton@us.penguingroup.com	Trade debt		$41,118,914.47
Hachette Book Group USA PO Box 8828 Boston, MA 02114-8828	Tom Maciag Phone: (800) 759-0190 Fax: (800) 286-9471 Tom.Maciag@hbgusa.com	Trade debt		$36,879,656.30
Simon & Schuster Inc. JP Morgan Attn: Lockbox 70660 131 S. Dearborn 6th Fl. Chicago, IL 60603	Dennis Eulau Phone: (800) 732-1685 Fax: (201) 767-5029 dennis.eulau@simonandschuster.com	Trade debt		$33,757,444.75

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1 The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Borders Group, Inc. (4588); Borders International Services, Inc. (5075); Borders, Inc. (4285); Borders Direct, LLC (0084); Borders Properties, Inc. (7978); Borders Online, Inc. (8425); Borders Online, LLC (8996); and BGP (UK) Limited.

(1) *Name of creditor and complete mailing address, including zip code*	(2) *Name, telephone number and complete mailing address, including zip code, of employee, agent or department of creditor familiar with claim who may be contacted*	(3) *Nature of claim (trade debt, bank loan, government contract, etc.)*	(4) *Indicate if claim is contingent, unliquidated, disputed or subject to setoff*	(5) *Amount of claim (if secured also state value of security)* *(in thousands)*
Random House Box 223384 500 Ross St. 154-0455 Pittsburgh, PA 15262	Anne Davis Phone: (410) 386-7414 Fax: (410) 386-7439 andavis@randomhouse.com	Trade debt		$33,461,061.80
Harper Collins Publishers PO Box 360846 Pittsburgh, PA 15251-6846	Janet Gervasio Phone: (570) 941-1495 Fax: (570) 941-1553 janet.gervasio@harpercollins.com	Trade debt		$25,793,450.63
Macmillan / MPS 175 Fifth Avenue New York, NY 10010	Peter Garabedian Phone: (540) 672-7600 ext.7544 Fax: (540) 672-7540 Peter.Garabedian@macmillan.com	Trade debt		$11,434,306.30
John Wiley and Sons Inc. Attn: Kevin Glennon 432 Elizabeth Avenue Somerset, NJ 08873	Kevin Glennon Phone: (732) 302-2210 Fax: (732) 320-2300 kglennon@wiley.com	Trade debt		$11,191,435.29
Perseus Distribution Svcs 15636 Collections Center Drive Chicago, IL 60693	Charles Gallagher Phone: (212) 223-2969 ext.134 Fax: (212) 223-1504 charles.gallagher@PerseusBooks.com	Trade debt		$7,776,291.64
Source Interlink Companies 275000 Riverview Center Blvd Ste 201 Bonita Springs, FL 34134	Alene Mangino Phone: (239) 949-4450 Fax: (239) 495-5158 Alene.Mangino@sorc.com	Trade debt		$6,879,905.55
Twentieth Century Fox Bank of America Attn: Lockbox #402665 6000 Feldwood Road College Park, GA 30349	Al Leonard Phone: (310) 369-5083 Fax: (310_ 369-8799 Al.Leonard@fox.com	Trade debt		$6,445,467.35
Seattle's Best Coffee Inc. PO Box 84348 Seattle, WA 98124-5648	Frank Smith Phone: (206) 318-5258 Fax: (206) 624-3262 frank.smith@seattlesbest.com	Trade debt & Commission		$4,991,818.25
F&W Media Inc. PO Box 715157 Columbus, OH 43271-5157	Amanda Enderle Phone: N/A Fax: (513) 531-4082 Amanda.Enderle@fwmedia.com	Trade debt		$4,546,275.13
Houghton Mifflin Harcourt Attn: Mary A. Durrance, Finance Credit Dept. 9400 South Pk Center Loop Orlando, FL 32819	Jim Diamond Phone: (800) 521-3185 ext.3234 Fax: (407) 363-6917 James.Diamond@hmhpub.com	Trade debt		$4,400,755.51

(1) *Name of creditor and complete mailing address, including zip code*	(2) *Name, telephone number and complete mailing address, including zip code, of employee, agent or department of creditor familiar with claim who may be contacted*	(3) *Nature of claim (trade debt, bank loan, government contract, etc.)*	(4) *Indicate if claim is contingent, unliquidated, disputed or subject to setoff*	(5) *Amount of claim (if secured also state value of security)* *(in thousands)*
Sony Music Entertainment Inc. c/o Mellon Bank Dept. Ch 10247 Palatine, IL 60055-0247	Neil Carfora Phone: (800) 444-6922 Fax: (201) 777-3694 Neil.Carfora@sonymusic.com	Trade debt		$4,273,824.18
Workman Publishing Company 225 Varick St. 9th Fl. New York, NY 10014-4381	Phil Gerace Phone: (212) 254-5900 Fax: (212) 254-8098 phil@workman.com	Trade debt		$4,003,125.70
Diamond Comic Distributors 1966 Greenspring Dr. # 300 Timonium, MD 21093	Larry Swanson Phone: (410) 427-9339 Fax: (410) 560-7145 slarry@diamondcomics.com	Trade debt		$3,906,549.94
U M G D c/o Bank of America PO Box 98279 Chicago, IL 60693	Joe Flores Phone: (800) 779-6699 Fax: (317) 595-5190 jlflores@umusic.com	Trade debt		$3,754,699.09
Warner Elektra Atlantic Dept Ch 10125 Palatine, IL 60055-0125	James Theodoulou Phone: (818) 238-6489 Fax: (818) 729-3568 James.Theodoulou@wmg.com	Trade debt		$3,396,812.48
The McGraw-Hill Companies PO Box 2258 Carol Stream, IL 60132-2258	Phil Ruppel Phone: (800) 722-4726 Fax: (614) 755-5654 philip_ruppel@mcgraw-hill.com	Trade debt		$3,093,871.47
Sony Pictures Home Ent c/o Mellon Bank PO Box 120001 Dept. 0648 Dallas, TX 75312-0648	Neil Carfora Phone: (310) 255-5593 Fax: (310) 861-5068 Neil.Carfora@sonymusic.com	Trade debt		$2,930,139.39
Pearson Education Inc. 200 Old Tappan Road Old Tappan, NJ 07675	Jim Crofton Phone: (201) 964-6104 Fax: (201) 767-5029 jim.crofton@us.penguingroup.com	Trade debt		$2,784,766.35
Rosetta Stone Ltd. Dept. Ch 17714 Palatine, IL 60055-7714	Matt Sysak Phone: (540) 236-5428 ext.5135 Fax: (540) 432-0953 msysak@rosettastone.com	Trade debt		$2,226,552.66
National Book Network Inc. PO Box 62188 Baltimore, MD 21264-2188	Jeff Harris Phone: (717) 794-3800 Fax: (717) 794-3804 jharris@nbnbooks.com	Trade debt		$1,956,713.13

(1) *Name of creditor and complete mailing address, including zip code*	(2) *Name, telephone number and complete mailing address, including zip code, of employee, agent or department of creditor familiar with claim who may be contacted*	(3) *Nature of claim (trade debt, bank loan, government contract, etc.)*	(4) *Indicate if claim is contingent, unliquidated, disputed or subject to setoff*	(5) *Amount of claim (if secured also state value of security)* *(in thousands)*
WW Norton & Company Inc. Box 2626 PO Box 8500 Philadelphia, PA 19178-2626	Katherine Pinto Phone: (212) 354-5500 Fax: (800) 458-6515 kpinto@wwnorton.com	Trade debt		$1,940,825.59
Zondervan Corporation Department CH10303 Palatine, IL 60055-0303	Angela Harms Phone: (800) 727-1309 Fax: (616) 698-3350 angela.harms@zondervan.com	Trade debt		$1,886,752.27
EMI Music Dept. CH 17714 Palatine, IL 60055-0380	Gil Castaniada Phone: (323) 871-5414 Fax: (800) 288-2362 Gil.Castaniada@emicap.com	Trade debt		$1,782,357.74
Hay House Inc. PO Box 5100 2776 Loker Ave W Carlsbad, CA 92018	Reid Tracy Phone: (760) 431-7695 Fax: (760) 929-2035 RTracy@HayHouse.com	Trade debt		$1,725,588.77
Elsevier Science PO Box 0848 Carol Stream, IL 60132-0848	Emmett Hamilton Phone: (314) 523-5036 Fax: (314) 453-7020 E.Hamilton@Elsevier.com	Trade debt		$1,606,992.18
Papyrus-Recycled Greetings 3613 Solutions Center Chicago, IL 60677-3006	Connie Holland Phone: (800) 777-9498 Fax: (773) 868-8329 Connie.Holland@prgreetings.com	Trade debt		$1,490,890.68
Publications Intl Ltd Dept 77 3401 Chicago, IL 60678-3401	Tom Broughton Phone: (212) 986-1782 Fax: (847) 676-3671 TBroughton@pubint.com	Trade debt		$1,079,420.86

DECLARATION UNDER PENALTY OF PERJURY:

I, the undersigned authorized officer of Borders Group, Inc., named as the Debtor in this case (the "Debtor"), declare under penalty of perjury that I have read the foregoing and it is true and correct to the best of my knowledge, information and belief.

Dated: February 16, 2011

/s/ ____________________
Signature

Scott Henry
Name

Chief Financial Officer
Title

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	**Chapter 11**
BORDERS GROUP, INC.,	**Case No. 11-______ (___)**
Debtors.	**(Joint Administration Pending)**

LIST OF CREDITORS[1]

Contemporaneously herewith, the above-captioned debtor and its affiliated debtors and debtors in possession (collectively, the "Debtors") have filed a motion requesting a waiver of the requirement for filing a list of creditors pursuant to sections 105(a), 342(a), and 521(a)(1) of title 11 of the United States Code, Rules 1007(a)(1) and 2002(a), (f), and (1) of the Federal Rules of Bankruptcy Procedure, Rule 1007-1 of the Local Bankruptcy Rules for the Southern District of New York, and General Orders 1-133, M-137, M-138, and M-192 of the United States Bankruptcy Court for the Southern District of New York. The Debtors propose to furnish their lists of creditors to the proposed noticing and claims agent.

The list of creditors will contain only those creditors whose names and addresses were maintained in the Debtors' consolidated database or were otherwise ascertainable by the Debtors prior to the commencement of these cases. The schedules of liabilities to be filed subsequently should be consulted for a list of the Debtors' creditors that is comprehensive and current as of the date of the commencement of these cases.

1 The information herein shall not constitute an admission of any kind by, nor is it binding on, the Debtor. The Debtor reserves all rights to assert that any debt or claim listed herein as liquidated or fixed is in fact a disputed claim or debt. The Debtor also reserves all rights to challenge the priority, nature, amount or status of any claim or debt. All claims are subject to offsets, rebates, discount, reconciliation, credits, and adjustments, which are not reflected on this schedule.

DECLARATION UNDER PENALTY OF PERJURY:

I, the undersigned authorized officer of Borders Group, Inc., named as the Debtor in this case (the "Debtor"), declare under penalty of perjury that I have read the foregoing and it is true and correct to the best of my knowledge, information and belief.

Dated: February 16, 2011

/s/
Signature

Scott Henry
Name

Chief Financial Officer
Title

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	Chapter 11
BORDERS GROUP, INC.,	Case No. 11-______ (___)
Debtors.	(Joint Administration Pending)

LIST OF EQUITY SECURITY HOLDERS PURSUANT TO RULE 1007(a)(3) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE

The Debtor has more than 2,463 holders of its public equity securities. Given the substantial size of the list, the Debtor filed a motion on the Commencement Date, pursuant to Bankruptcy Rule 1007(a)(3), requesting a waiver of the requirement to file its equity security holder list with the Court. The Debtor's equity security holders list has been provided to its claims and noticing agent Garden City Group, Inc.

DECLARATION UNDER PENALTY OF PERJURY:

I, the undersigned authorized officer of Borders Group, Inc., named as the Debtor in this case (the "Debtor"), declare under penalty of perjury that I have read the foregoing list of equity security holders of the Debtor and it is true and correct to the best of my knowledge, information and belief.

Dated: February 16, 2011

/s/
Signature

Scott Henry
Name

Chief Financial Officer
Title

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	**Chapter 11**
BORDERS GROUP, INC., ***et al.*****,**[1]	**Case No. 11-______ (___)**
Debtors.	**(Joint Administration Pending)**

CORPORATE OWNERSHIP STATEMENT

Pursuant to Rules 1007(a) and 7007.1 of the Federal Rules of Bankruptcy Procedure and Rule 1007-3 of the Local Bankruptcy Rules for the Southern District of New York and to enable the Judges to evaluate possible disqualifications or recusals, on behalf of Borders Group, Inc. and its debtor affiliates, as debtors and debtors in possession (collectively, the "Debtors"), the undersigned authorized officer certifies the following:

A. Ownership of the Debtors' Equity Interests

I. The following entities own 10% or more of the equity interests of Borders Group, Inc.:

1. Pershing Square Capital Management, L.P. owns 31.3% of the publicly traded equity interests of Borders Group, Inc.

2. LeBow Gamma Limited Partnership[2] owns 15.4% of the publicly traded equity interests of Borders Group, Inc.

II. Borders Group, Inc. owns 100% of the equity interests in the following Debtor affiliates:

1. Borders, Inc.

2. BGP (UK) Ltd.

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1 The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Borders Group, Inc. (4588); Borders International Services, Inc. (5075); Borders, Inc. (4285); Borders Direct, LLC (0084); Borders Properties, Inc. (7978); Borders Online, Inc. (8425); Borders Online, LLC (8996); and BGP (UK) Limited.

2 Bennett S. LeBow indirectly exercises voting and investment control as follows: the Bennett S. LeBow Revocable Trust is the sole stockholder of LeBow Holdings, Inc., a Nevada corporation, which is the sole stockholder of LeBow Gamma, Inc., a Nevada corporation, which is the general partner of LeBow Gamma Limited Partnership. Mr. LeBow is the sole trustee of Bennett S. LeBow Revocable Trust, a director and officer of LeBow Holdings, Inc. and a director and officer of LeBow Gamma, Inc.

III. Borders, Inc. owns 100% of the equity interests in the following Debtor affiliates:

1. Borders Properties, Inc.
2. Borders Direct, LLC
3. Borders Online, Inc.
4. Borders Online LLC
5. Borders International Services Inc.

B. The Debtors' Ownership of Equity Securities, Partnership Interests, and Joint Venture Interests

A. Borders, Inc. owns 74% of the equity interest in non-debtor affiliate Borders/JGE Joint Venture LLC[3]

B. No Debtor directly or indirectly owns 10% or more of any class of equity interests in any corporation whose securities are publicly traded.

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3 The remaining 26% is owned by Jay Gregory Enterprises, Inc.

DECLARATION UNDER PENALTY OF PERJURY:

I, the undersigned authorized officer of Borders Group, Inc., named as the Debtor in this case (the "Debtor"), declare under penalty of perjury that I have read the foregoing and it is true and correct to the best of my knowledge, information and belief.

Dated: February 16, 2011

/s/ ______________________
Signature

Scott Henry
Name

Chief Financial Officer
Title