

Indigo Issues Correction to Year-End Press Release

Toronto, May 29, 2012 - Indigo Books & Music Inc. announces a correction to its press release issued this afternoon at 4:01 pm (Eastern Time), entitled "Indigo Reports Record Net Earnings".

In the table entitled "Consolidated Statements of Earnings (Loss) and Comprehensive Earnings (Loss)" the basic and diluted net loss per common share from continuing operations and the basic and diluted net loss per common share from discontinued operations were inadvertently transposed. The basic and diluted net earnings (loss) per common share from continuing operations should read \$(0.47) and not \$(0.31) and the basic and diluted net earnings (loss) per common share from discontinued operations should read \$(0.31) and not \$(0.47).

The corrected table is as follows:

Consolidated Statements of Earnings (Loss) and Comprehensive Earnings (Loss)

(thousands of Canadian dollars, except per share data)	13-week period ended March 31, 2012	13-week period ended April 2, 2011	52-week period ended March 31, 2012	52-week period ended April 2, 2011
Revenues	195,879	200,160	933,990	956,449
Cost of sales	113,889	116,393	544,924	543,008
Gross profit	81,990	83,767	389,066	413,441
Operating and administrative expenses	97,710	97,577	418,701	387,927
Operating earnings (loss)	(15,720)	(13,810)	(29,635)	25,514
Interest on long-term debt and financing charges	36	97	153	212
Interest income on cash and cash equivalents	(420)	(220)	(460)	(515)
Earnings (loss) before income taxes	(15,336)	(13,687)	(29,328)	25,817
Income tax expense (recovery)				
Current	71	1,214	71	1,214
Deferred	(4,681)	(3,156)	(1,572)	10,211
	(4,610)	(1,942)	(1,501)	11,425
Earnings (loss) and comprehensive earnings (loss) for the period from continuing operations	(10,726)	(11,745)	(27,827)	14,392
Earnings (loss) and comprehensive earnings (loss) for the period from discontinued operations (net of tax)	135,695	(12,625)	94,016	(33,776)
Net earnings (loss) and comprehensive earnings (loss) for the period	124,969	(24,370)	66,189	(19,384)
Net earnings (loss) and comprehensive earnings (loss) attributable to:				
Shareholders of the Company	131,527	(19,441)	92,664	(5,742)
Non-controlling interest	(6,558)	(4,929)	(26,475)	(13,642)
Total net earnings (loss) and comprehensive earnings (loss) for the period	124,969	(24,370)	66,189	(19,384)
Net earnings (loss) per common share from continuing operations				
Basic	\$ (0.43)	\$(0.47)	\$ (1.10)	\$ 0.58
Diluted	\$ (0.43)	\$(0.47)	\$ (1.10)	\$ 0.57
Net earnings (loss) per common share from discontinued operations				
Basic	\$ 5.64	\$(0.31)	\$ 4.78	\$(0.81)
Diluted	\$ 5.58	\$(0.31)	\$ 4.73	\$(0.81)
Net earnings (loss) per common share				
Basic	\$ 5.21	\$(0.78)	\$ 3.68	\$(0.23)
Diluted	\$ 5.16	\$(0.78)	\$ 3.64	\$(0.23)

For further information please contact:
 Janet Eger
 Vice President, Public Relations
 416 342 8561