



NEWS RELEASE

Spring Design and Borders Announce eBook Agreement

Borders to be eBook Seller for Alex eReader

FREMONT, Calif./ANN ARBOR, Mich. – January 7, 2010 – Spring Design and Borders Group, Inc. (NYSE: BGP) today announced an agreement in principle to feature the upcoming Borders eBook store powered by Kobo on the new dual display Alex™ eReader later this year. The agreement in principle follows a recent announcement that Borders will launch a new eBook store on Borders.com as well as Borders-branded mobile eBook applications, powered by Kobo. The new Borders-branded eBook store will offer more than two million titles.

“The combination of Borders’ leadership in the book industry and Spring Design’s innovation and experience in consumer electronics will create a world class service for eBook readers,” said Dr. Priscilla Lu, chief executive officer of Spring Design. “This partnership delivers one of the critical foundations of our business growth going forward,” Lu added.

“Our agreement with Spring Design represents another step in our digital strategy, which continues to focus on offering book lovers—including our more than 35 million Borders Rewards loyalty program members—high quality content on the device of their choosing,” said Borders Group Chief Executive Officer Ron Marshall. “We look forward to bringing a world class eBook experience to Alex users.”

The Alex eReader will initially be available February 22, 2010 for ~~\$359~~  **\$399.99** in the online store at www.springdesign.com.

About Spring Design:

Spring Design Inc., founded in 2006, designs and delivers eReader products to the e-book market. Its Alex is the first eBook with full function browser on Android with dual screen, interactive multi-media eReader. It offers a hyper link publishing tool, “Link Notes” that links eBook text to related video, audio, notes or web addresses. Spring Design Inc. is located in Fremont, California with engineering offices in Taiwan and China. Spring Design's innovative patented technologies incorporate the seamless interaction of dual display and multi-online access in a single device, benefiting and leveraging the technology and resources of the Web to enhance the reading experience. For more information please see www.springdesign.com.

About Borders Group:

Headquartered in Ann Arbor, Mich., Borders Group, Inc. (NYSE: BGP) is a leading specialty retailer of

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books as well as other educational and entertainment items. The company employs approximately 25,000 throughout the U.S., primarily in its Borders(R) and Waldenbooks(R) stores. Online shopping is offered through borders.com. Find author interviews and vibrant discussions of the products we and our customers are passionate about online at facebook.com/borders, twitter.com/borders and youtube.com/bordersmedia. For more information about the company, visit borders.com/media.

About Kobo, Inc.:

Kobo is a global eReading service backed by majority shareholder Indigo Books & Music, Borders Group, REDgroup Retail, and Cheung Kong Holdings. Kobo believes consumers should be able to read any book on any device. With a catalog of over two million eBooks, and an open platform, Kobo enables retailers, device manufacturers and mobile operators to bring the joy of eReading to customers everywhere. For more information, visit www.kobobooks.com.

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