

## Indigo Increases Dividend by 10%

**TORONTO, ONT - April 19, 2010** -- The Board of Directors of Indigo Books & Music Inc. today approved a 10% increase in the Company's quarterly dividend, raising it from 10 cents to 11 cents per common share. This is equivalent to an annual dividend of 44 cents per share, up from 40 cents in 2009. The first of the new quarterly dividends will be paid on May 19, 2010 to shareholders of record as of May 5, 2010.

Indigo Chair and CEO Heather Reisman commented, "This increase reflects the confidence we have in Indigo's ability to both invest in our future and provide a return to our shareholders".

Over the past year, Indigo has undertaken several industry leading initiatives which include the spin off their eReading division into Kobo, a highly regarded global eReading service. Indigo will launch the Kobo eReader in early May and is currently accepting pre-orders online at [www.chapters.indigo.ca/ebooks](http://www.chapters.indigo.ca/ebooks).

Indigo also launched six new large format stores across Canada under the Indigo Books, Kids, Gifts banner, in Stoney Creek, Surrey, Edmonton, Calgary (2), and Laval, and with significant growth in the Kids business the Company expanded the IndigoKids sections in dozens of Indigo and Chapters stores across Canada. Other key initiatives include continued investment the Company's lifestyle businesses, with strong positioning as a leading destination for affordable, meaningful gifts.

### Forward-Looking Statements

Statements contained in this news release that are not historical facts are forward-looking statements which involve risk and uncertainties that could cause results to differ materially from those expressed in the forward-looking statements. Among the key factors that could cause such differences are: general economic, market or business conditions in Canada; competitive actions by other companies; changes in laws or regulations; and other factors, many of which are beyond the control of the Company.

### About Indigo Books & Music Inc.

Indigo is a publicly traded Canadian company listed on the Toronto Stock Exchange ([IDG](#)). As the largest book and specialty retailer in Canada, Indigo operates in all provinces under different banners including Indigo Books & Music; Indigo Books, Gifts, Kids; IndigoSpirit, Chapters, The World's Biggest Bookstore, and Coles. The online division, [www.chapters.indigo.ca](http://www.chapters.indigo.ca), features books, eBooks, toys, music and DVDs, and hosts the award winning Indigo Online Community. Indigo is also the majority owner of KOBO Inc.

Chapters and Indigo are rated as the number one and number two retailers in Canada by the Kubas Major Market Retail Report, and have been on that list since 2000. To learn more about Indigo, please visit the About Our Company section of [www.chapters.indigo.ca](http://www.chapters.indigo.ca).

For further information please contact:

Janet Eger  
Director, Public Relations  
416 342 8561  
[jeger@indigo.ca](mailto:jeger@indigo.ca)