

BORDERS® SELECTS CHOICESTREAM'S REALRELEVANCESM RETAIL SUITE FOR NEW BORDERS.COM E-COMMERCE SITE TO LAUNCH EARLY 2008

RealRelevance Retail Suite To Become a Critical Component of Borders' E-Commerce Strategy To Deliver a Relevant, Cross-Channel Shopping Experience for Millions of Customers

CAMBRIDGE, Mass.— September 18, 2007 ChoiceStream today announced that Borders Direct, LLC, a subsidiary of Borders Group, Inc. (NYSE: BGP), has selected ChoiceStream's RealRelevance Retail Suite to deliver compelling, revenue-driving product recommendations to Borders' shoppers through its in-store computer search stations and its upcoming online store, driving the discovery of new books, music and movies. ChoiceStream's newly announced RealRelevance Retail Suite was chosen by Borders because of its superior ability to automatically target relevant products to consumers based on their needs and interests.

As Borders prepares for the upcoming launch of its proprietary e-commerce site, the role of personalized product recommendations will become essential to providing a unique experience to each Borders customer. ChoiceStream's RealRelevance Retail Suite will enable Borders to:

- Drive faster conversions by greeting new and returning shoppers with personalized recommendations online;
- Increase sales by highlighting Borders' "best bet" inventory to shoppers as they browse the catalogue, add items to their shopping carts, and confirm orders;
- Create more loyal customers by creating a personalized shopping experience that learns from each shopping session and extends across Borders.com, in-store computer search stations, direct marketing and the customer call center;
- Improve profitability by surfacing Borders' entire catalog of books, music and movies.

"Borders is committed to providing a unique shopping experience for our customers with recommendations tailored to their specific interests and shopping intentions," said Kevin Ertell, vice president of e-business at Borders Group, Inc. "This commitment to helping our customers easily find the products they're searching for, as well as discover new items within the vast inventory of Borders, led us to ChoiceStream. ChoiceStream's proven approach to creating a personalized store that automatically presents shoppers with the most relevant merchandise and promotions will enable Borders to build rich customer relationships across all of our touch points."

ChoiceStream's newly released RealRelevance Retail Suite is the first automated, one-to-one merchandising solution for multi-channel retailers who want to cater to each individual shopper. The Suite provides accurate product recommendations based on a consumer's unique preferences, shopping intentions and purchase history. This activity is collected and dynamically updated with each consumer interaction to deliver the most accurate recommendations across the retailer's marketing efforts and distribution channels. ChoiceStream is proven to drive sales, order size and loyalty by digging deep into its clients' catalogues and finding the most relevant products and promotions to present to consumers.

"Borders is a brand that truly understands the importance of targeting the most relevant merchandise to each individual shopper, instead of broad segments made up of thousands of consumers" said Steve Johnson, CEO, ChoiceStream, Inc. "We look forward to putting our recommendations expertise to work for Borders and providing the highest quality one-to-one shopping experience for its valued customers."

The ChoiceStream Advantage

RealRelevance Retail Suite is the only personalization system to base its recommendations on a shopper's unique preferences combined with a deep understanding of the merchandise being recommended and the insight gleaned from the 100+ million preference profiles that make up the ChoiceStream Consumer Preference NetworkSM. This rich, knowledge-based technique enables ChoiceStream to learn about a consumer quickly and accurately, avoiding 'out-in-left-field' results that can undermine consumers' faith in a brand. In addition, ChoiceStream easily handles new, frequently-changing inventory that drives the retail industry, resolving the 'cold start' problem that afflicts older personalization approaches, like collaborative filtering. Through its high-performance technology, ChoiceStream provides personalized product promotions, cross-sells and next-sells that immediately engage shoppers, increase sales and drive repeat visits for today's biggest brands.

About ChoiceStream, Inc.

ChoiceStream is the premier personalization solution for the world's largest entertainment, e-retail, TV and mobile brands, including Comcast, AOL, Blockbuster, Overstock.com, AT&T, and Yahoo!. In today's marketplace of superabundance, ChoiceStream's RealRelevanceSM platform restores control to consumers by delivering personally relevant choices when and where they want it. ChoiceStream's RealRelevance platform accurately presents consumers with their favorite video, music, movies, news, sports, and products, effectively simplifying the discovery process wherever they are: online, using a mobile device, or watching television. For consumers, ChoiceStream's technology delivers on the promise of instant gratification. For retailers, ChoiceStream's solution produces measurable business results and a powerful approach to building lifetime customer loyalty.

About Borders Group, Inc.

Headquartered in Ann Arbor, Mich., Borders Group, Inc. (NYSE) is a leading global retailer of books, music and movies with more than 1,200 stores and over 32,000 employees worldwide. More information on the company is available at www.bordersgroupinc.com.

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