



Overstock.com Offers 40% Discount on This Year's Grammy-Winning Albums

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SALT LAKE CITY, Feb. 21, 2003 (BUSINESS WIRE) --

Overstock.com Inc. (Nasdaq: OSTK), the Internet liquidation leader, today announced it will offer music fans a 40 percent discount on Grammy-winning albums presented at the 45th Annual Grammy Awards.

Award-winning albums in 104 categories presented at this year's award ceremony will be priced 40 percent below the MSRP (Manufacturer's Suggested Retail Price). The discount will be available for one week starting Monday, Feb. 24 at 10 a.m. EST -- the day after the winners are revealed.

Should Nora Jones win Album of the Year Sunday night, for example, her album "Come Away with Me" will be available Monday for \$10.79 at Overstock.com. The CD currently sells for \$11.99 at Overstock.com and \$12.99 at Amazon.com.

"By offering discounts on Grammy-winning albums, we hope consumers will discover Overstock.com's terrific music selection, as well as our superior prices and convenience," said Patrick Byrne, CEO of Overstock.com.

Best known for offering first-quality merchandise at deep discounts across a broad range of categories, including home and garden, electronics, sporting goods, gifts, toys, jewelry and books, Overstock.com began selling CDs at the end of 2002 with only a few thousand titles. Today, the selection of music available at Overstock.com has swelled to more than 40,000 titles, and that number continues to grow.

Byrne said the company aims to beat Amazon.com on the price of music, books and movies, and that the 40 percent discount on Grammy-winners will help demonstrate to consumers the benefits of shopping at Overstock.com.

Visit Overstock.com at www.overstock.com on Monday, Feb. 24, to see which CDs qualify for the discount.

About Overstock

Overstock.com delivers the best values for name-brand consumer merchandise. Since launching the site in October 1999, Overstock.com estimates that it has saved consumers more than \$200 million off manufacturer suggested retail prices. Overstock.com is a publicly traded company listed on the NASDAQ National Market System, headquartered in Salt Lake City and can be found online at www.overstock.com.

Overstock.com is a trademark of Overstock.com Inc. All other trademarks are the property of their respective companies. In particular, Amazon.com is a trademark of Amazon.com Inc. which is not affiliated with Overstock.com Inc. Price comparisons valid on featured titles only; prices on other titles may vary. Prices are as listed on Amazon.com as of Feb. 21, 2003, and exclude shipping charges. Overstock.com charges \$1.40 to ship a single CD, and \$2.95 to ship two or more CDs. For current prices, visit www.overstock.com.

This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements include, but are not limited to, statements regarding the timing and length of the offered discount, the CDs to which the discount will apply, and customers' discovery of our value proposition. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ, including, but not limited to, our limited operating history, our ability to manage growth, a general downturn in economic conditions, and such other risks as identified in our Prospectus dated May 29, 2002, filed with the Securities and Exchange Commission and at subsequent filings with the Securities and Exchange Commission, including our Form 10-Q dated Nov. 13, 2002 and our Prospectus dated Feb. 12, 2003, which contain and identify important factors that could cause the actual results to differ materially from those contained in our projections or forward-looking statements.

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