



Overstock.com and Microsoft Settle Intellectual Property Litigation

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Overstock.com, Inc. (Nasdaq: OSTK) and Microsoft Corp. have reached a settlement agreement on litigation concerning allegations of advertising unauthorized Microsoft software. The terms of the settlement are confidential.

"We determined that reaching a settlement sooner would be less costly than prolonging the litigation," said Jonathan Johnson, General Counsel, Overstock.com. "Although the settlement amount was substantial, it was not material to the company's liquidity and will not affect the future prospects of the company. We're glad to have the matter behind us."

About Overstock.com

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 registered trademark of Overstock.com, Inc. All other trademarks are the property of their respective companies.

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 costliness of prolonged litigation and the settlement's effect on future prospects of the company. 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 all subsequent filings with the Securities and Exchange Commission, including our Form 10-K for the year ended December 31, 2002, and our Prospectus dated February 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.

SOURCE Overstock.com, Inc.

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