



Overstock.com Drops Off of the Regulation SHO Threshold List

July 7, 2008

Review Call for SEC to Make Real Reform

SALT LAKE CITY, July 7 (PRNewswire-FirstCall) – Overstock.com, Inc. (NASDAQ: OSTK) announced that on July 3, after 838 total trading days (and 130 consecutive trading days), it dropped off of Nasdaq's Regulation SHO threshold list. (Source: <http://www.nasdaqtrader.com/Trader.aspx?id=RegSHOThreshold>).

Regulation SHO requires the stock exchanges to publish daily a list of companies whose stock has failures-to-deliver within the DTCC above a certain threshold. It also requires mandatory close-outs for open fail-to-deliver positions in threshold securities persisting for over 13 days, with the aim that no security would appear on the threshold for any extended period. Despite that aim, Overstock.com has appeared on the Regulation SHO threshold list for 838 of the 881 trading days that Regulation SHO has been in effect – over 95% of the days – including one stretch that spanned 668 consecutive trading days.

"While this development is encouraging," said Overstock.com chairman and CEO Patrick Byrne, "I am suspicious that the blackguards are just shifting unsettled trades outside of the DTCC using ex-clearing transactions. I have learned enough about our nation's stock settlement system to understand it is a black hole where which events follow laws understood by no outsiders, and into which journalists aren't peek."

While Overstock.com has dropped off of the Regulation SHO threshold list, as of July 3, 2008, 437 companies remain on the list: 227 for over 13 consecutive trading days, 49 for over 100 consecutive trading days, and one, Medix Technologies Ltd., for 732 consecutive trading days. (Source: http://buyins.net/tools/short_list.php?date=20080703).

"Overstock.com, members of Congress, the U.S. Chamber of Commerce, investors, academics, and other companies have repeatedly called for the SEC to eliminate the options market maker exception of Regulation SHO and to require short-sellers to actually locate and borrow shares before selling them," said Overstock.com senior vice president, corporate affairs and legal, Jonathan Johnson. "Until the SEC makes these real reforms to Regulation SHO, companies will continue to be victimized by naked short selling."

About Overstock.com

Overstock.com, Inc. is an online retailer offering brand-name merchandise at discount prices. The company offers its customers an opportunity to shop for bargains conveniently, while offering its suppliers an alternative inventory distribution channel. Overstock.com, headquartered in Salt Lake City, is a publicly traded company listed on the NASDAQ Global Market System and can be found online at <http://www.overstock.com>.

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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 whether unsettled trades are occurring outside of the DTCC in ex-clearing transactions and companies continuing to be victimized by naked short selling. Our Form 10-K for the year ended December 31, 2007, our subsequent quarterly reports on Form 10-Q, or any amendments thereto, and our other subsequent filings with the Securities and Exchange Commission identify important factors that could cause our actual results to differ materially from those contained in our projections, estimates or forward-looking statements.

SOURCE: Overstock.com, Inc.

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