

Overstock.com, Inc.
Q3 2008 Financial Results Presentation

October 24, 2008



overstock.com[®]

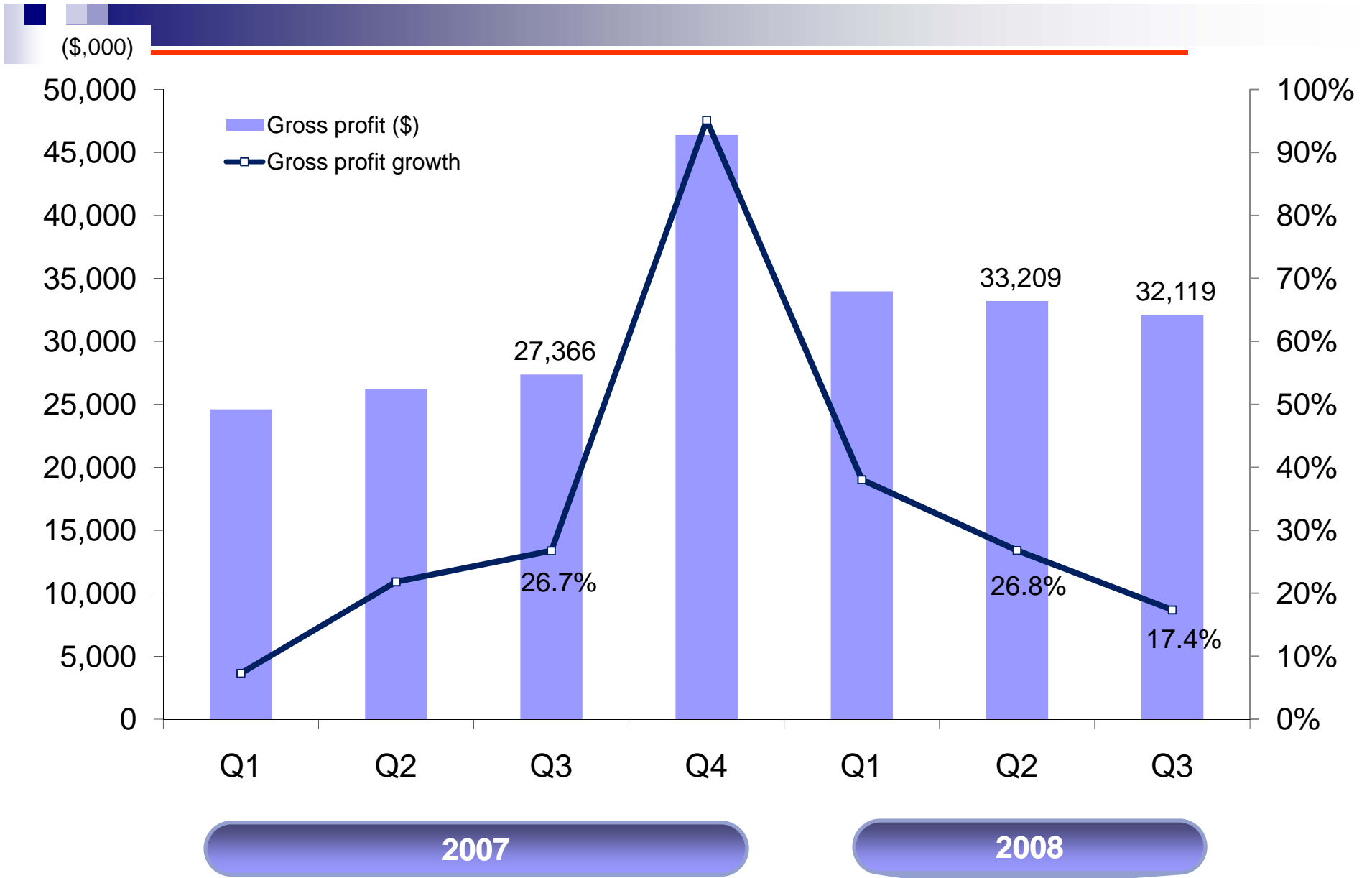
The information presented herein may contain forward-looking statements. Our actual results may vary materially from those described in the forward-looking statements for a wide variety of reasons, including changes in economic conditions, changes in consumer spending levels or purchasing patterns, changes to our anticipated levels or timing of expenditures, operational difficulties, including any difficulties relating to our infrastructure or inventory management or to the third parties on which we depend for a variety of services including product fulfillment and delivery, difficulties with credit card or other types of fraud, difficulties with new product or services offerings we may make, including our recent entries into automotive, real estate and international sales efforts, and adverse developments in legal proceedings. Further, worldwide economic issues are likely to increase financing costs and decrease the availability of financing for an extended period of time, and may have unpredictable effects on our business. Additional important factors that could cause results to differ from those expressed in, or implied by, any forward-looking statements are described in our periodic filings with the SEC, including our Report on Form 10-K for the year ended December 31, 2007 and subsequent filings. We undertake no obligation to update or revise any forward-looking statements. The following information includes non-GAAP financial measures. Our investor relations website, located at <http://investors.overstock.com>, includes a presentation of the most directly comparable financial measures calculated and presented in accordance with GAAP, as well as a reconciliation of the differences between the non-GAAP financial measures with the most comparable financial measures presented in accordance with GAAP.

- 16.7% revenue growth
- 17.2% gross margins
- 3rd consecutive quarter of positive EBITDA
 - Q3: \$2.2M
 - TTM: \$4.7M
- \$14.9M TTM operating cash flow (6th consecutive quarter)

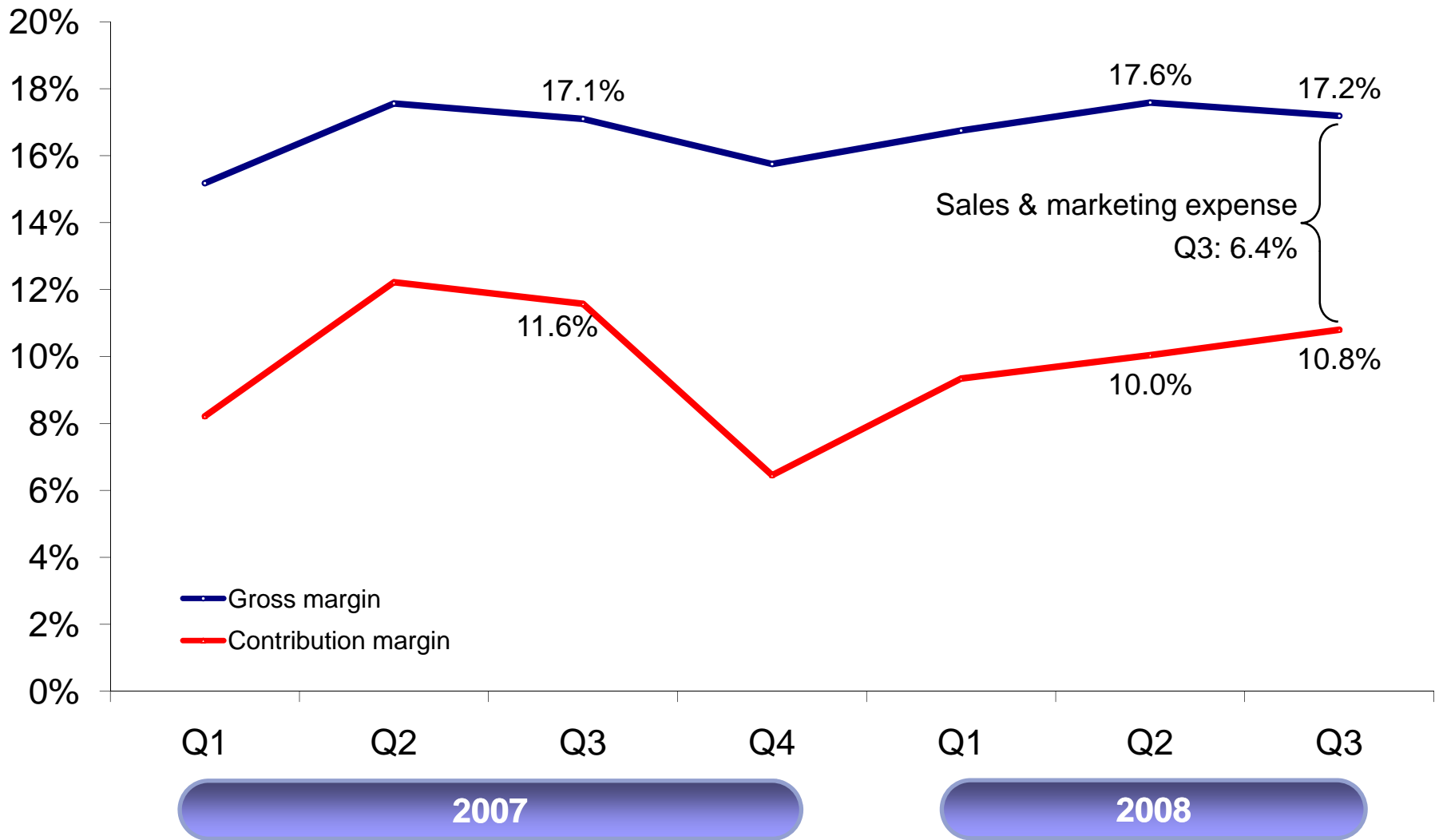
Revenue Growth



Gross Profit Growth

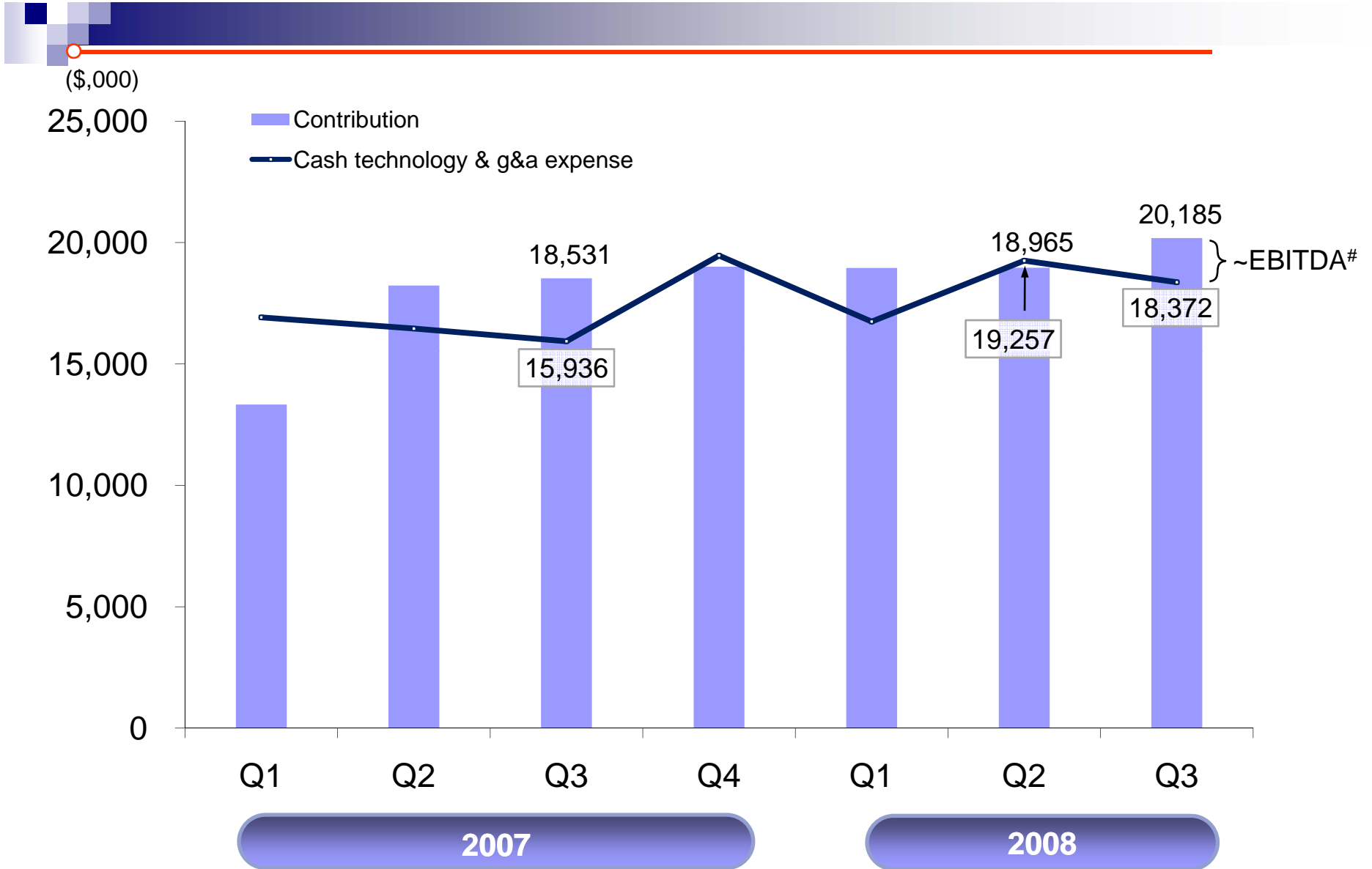


Gross Margin and Contribution*



*Contribution margin = Gross margin less Sales & Marketing percentage

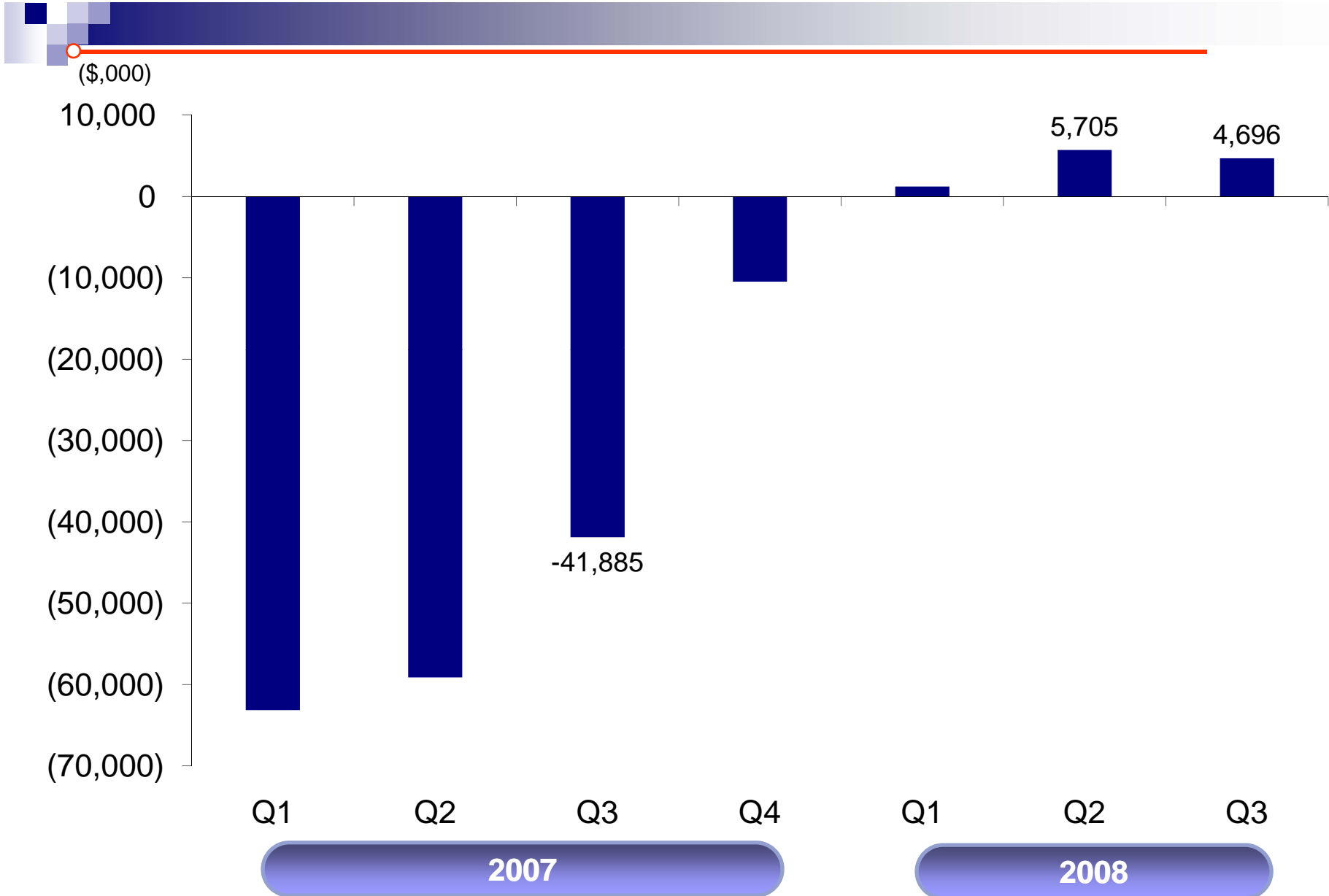
Contribution Dollars*



*Contribution = Gross profit less Sales & Marketing expense;

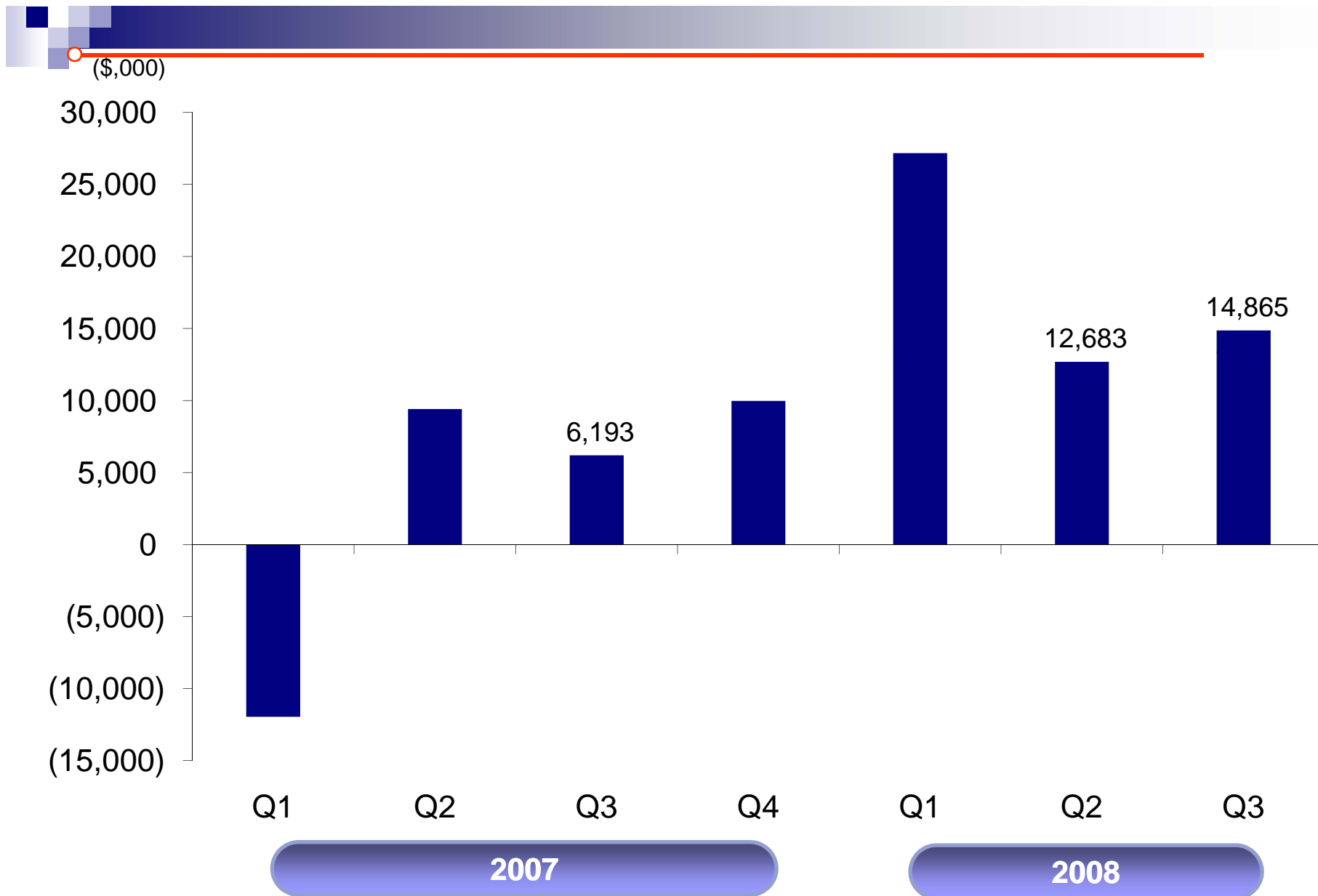
#Contribution less cash technology & g&a costs is EBITDA less COGS and marketing non-cash expenses

EBITDA (TTM)*

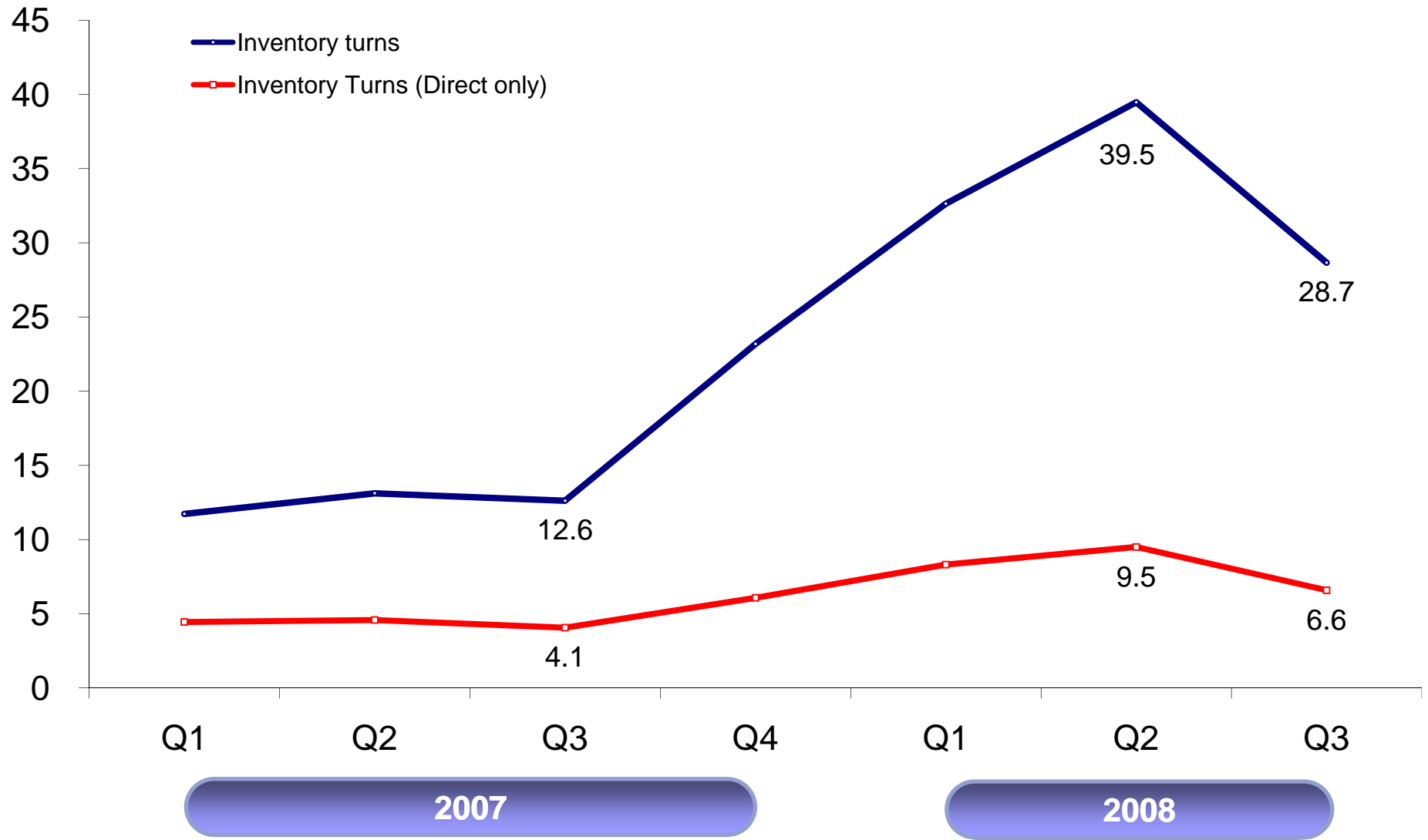


*Excludes stock-based compensation

Cash Flows From Operations (TTM)

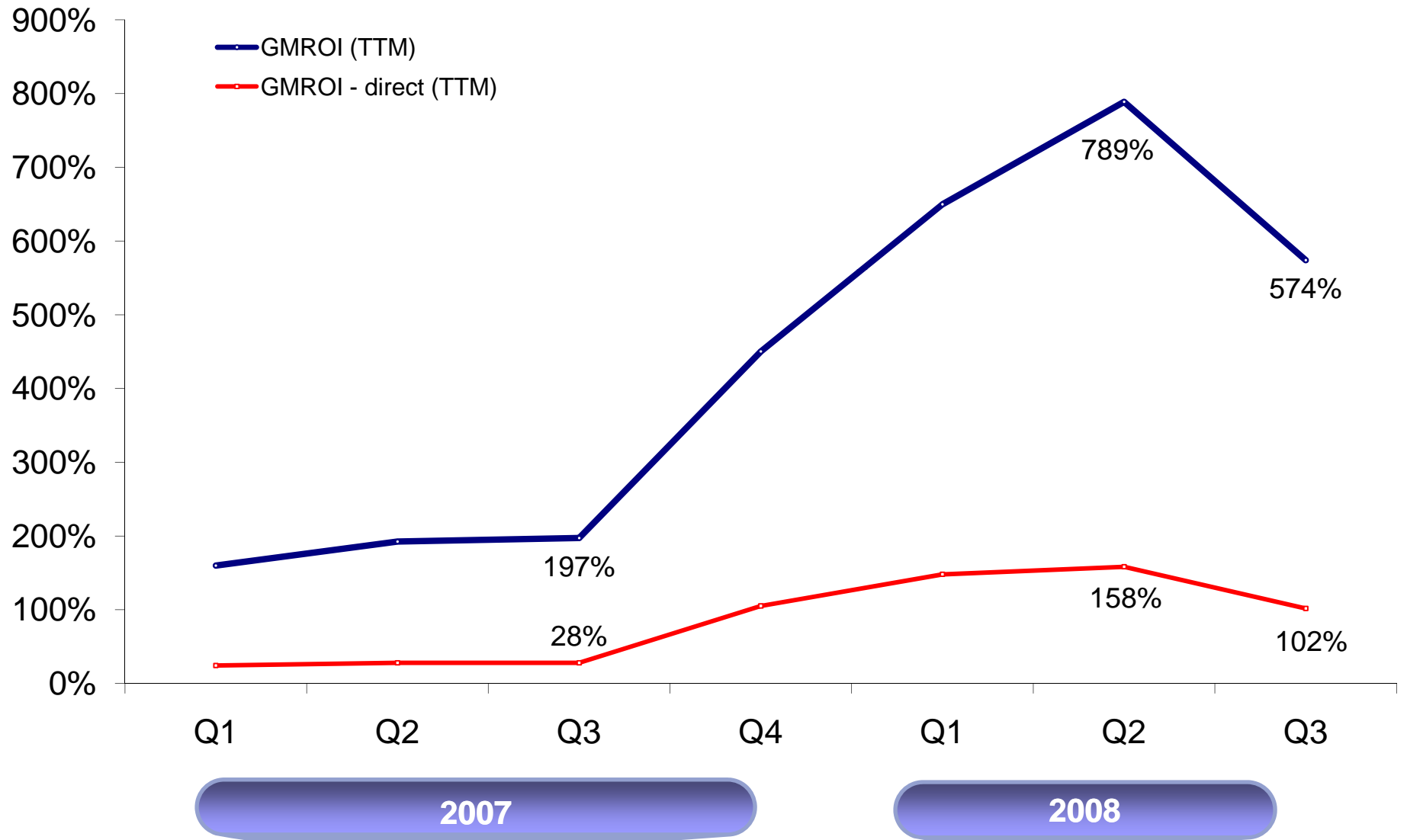


GAAP Annualized Inventory Turns



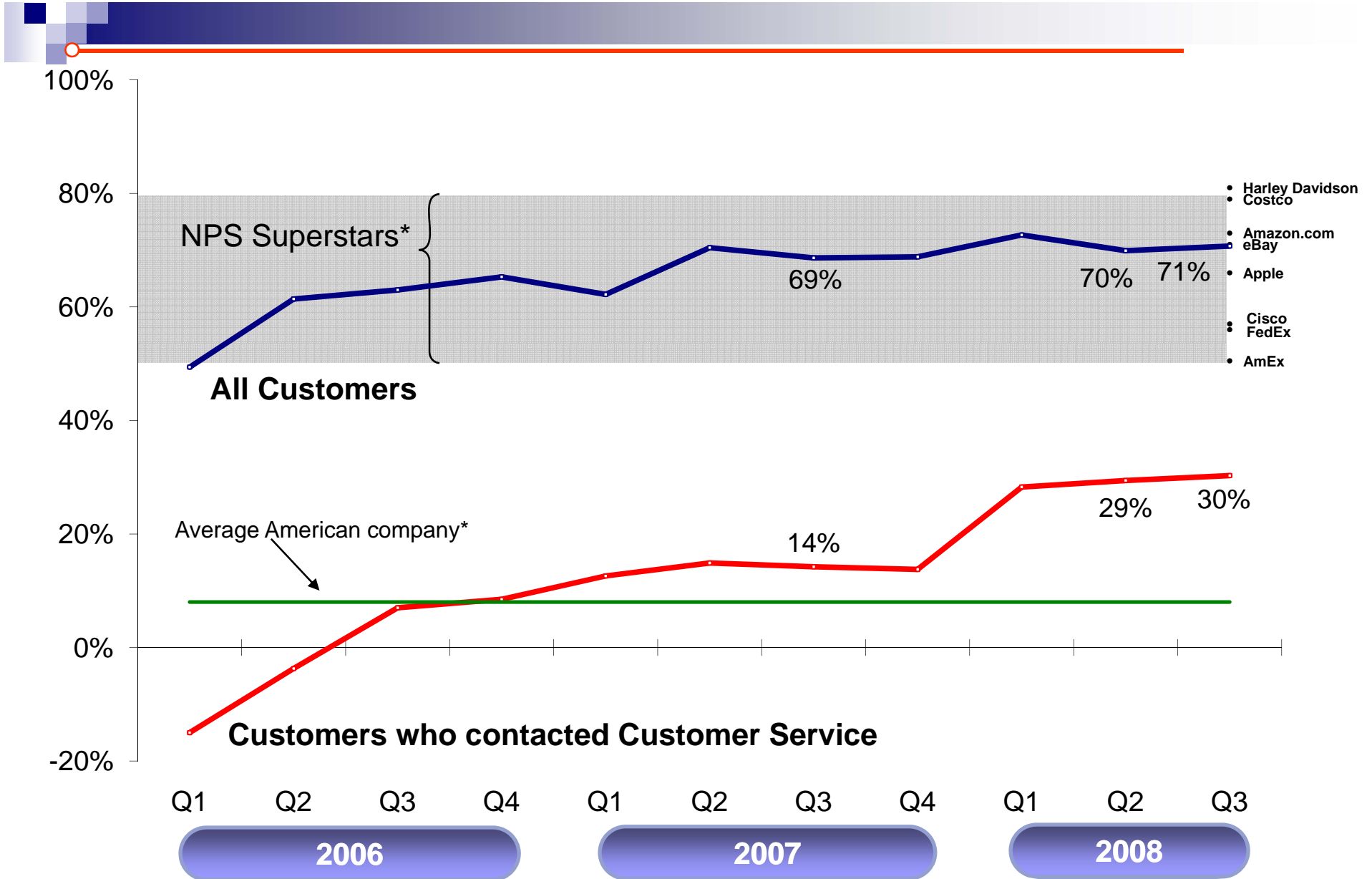
Annualized Inventory Turns: TTM COGS / 12-month Average Inventory

GMROI (annualized)*



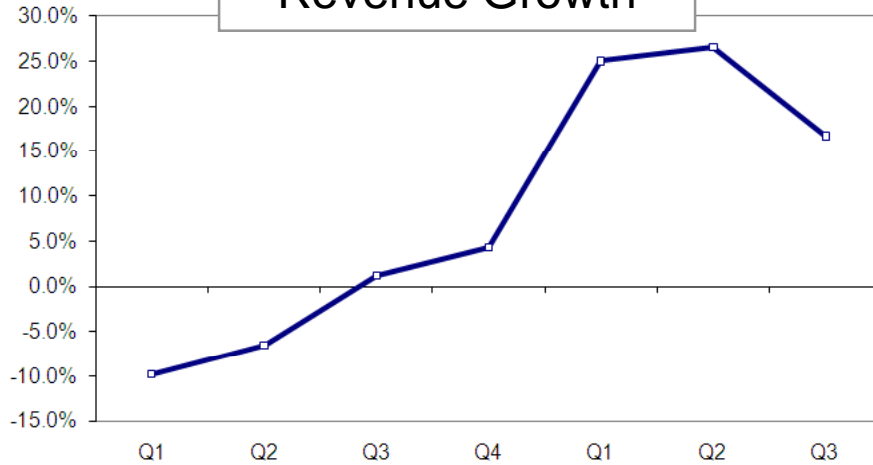
*GMROI (annualized) = TTM GM% * (TTM Revenue / 12-month Average Inventory)

Net Promoter Score

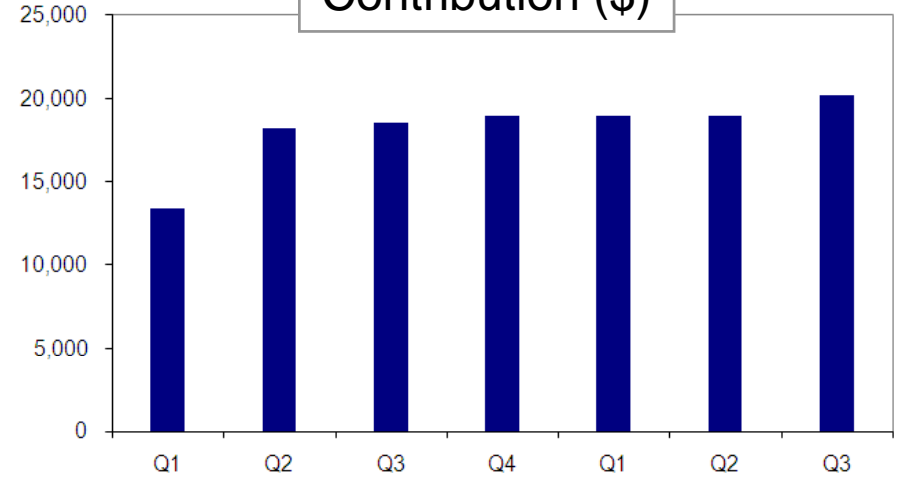


*As defined in The Ultimate Question, by Fred Reichheld, page 20. Published 2006

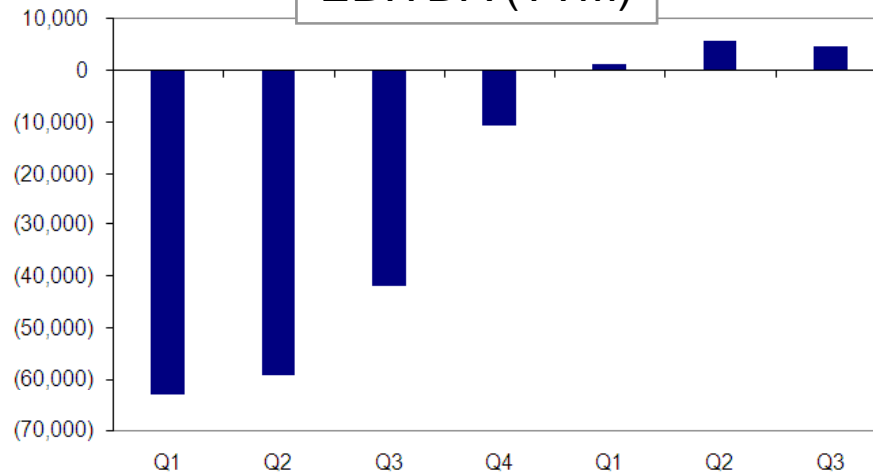
Revenue Growth



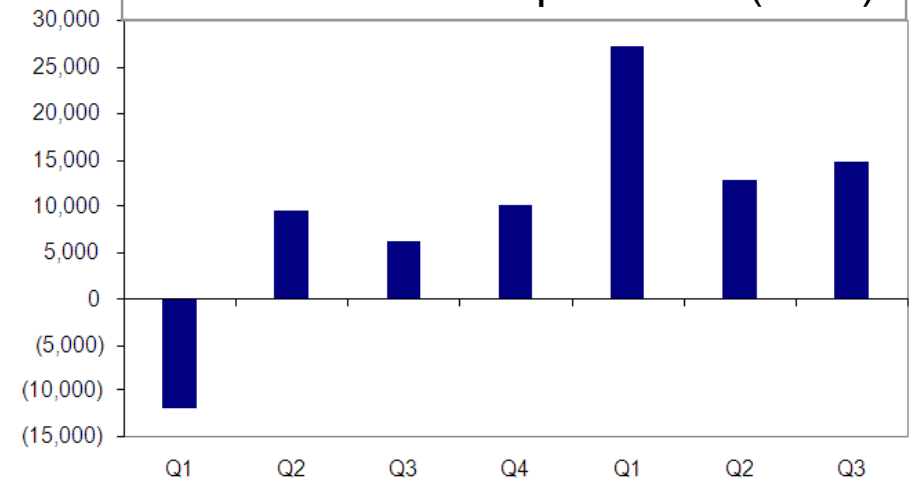
Contribution (\$)



EBITDA (TTM)



Cash Flow from Operations (TTM)



QUESTIONS?