Safe Harbor

The information presented herein may contain forward-looking statements. Such forward-looking statements include all statements other than statements of historical fact, including forecasts of trends. These forward-looking statements are inherently difficult to predict. Actual results could differ materially for a variety of reasons, including the amount and timing of our capital expenditures, the significant increases in our marketing expenditures in the first half of 2018 and our subsequent reduction of those expenditures, results of our ongoing review of strategic initiatives including the possible sale of our e-commerce business, adverse tax, regulatory or legal developments, competition, and any inability to raise capital or borrow funds on acceptable terms. Other risks and uncertainties include, among others, the risks of the businesses Medici Ventures and tZERO are pursuing, including whether tZERO’s joint venture with Box Digital Markets, LLC will be able to achieve its objectives, the regulatory, technical, operational and other obstacles tZERO faces in each of its initiatives, the effects of key business personnel moving from our retail business to our Medici Ventures, Inc. and tZERO businesses, our continually evolving business model, difficulties we may have with our infrastructure, our fulfillment partners or our payment processors, including cyber-attacks or data breaches affecting us or any of them, and difficulties we may have with our search engine optimization results. More information about factors that could potentially affect our financial results is included in our Form 10-K for the year ended December 31, 2017, our Form 10-Q for the quarter ended March 31, 2018, and our Form 10-Q for the quarter ended June 30, 2018, which were filed with the Securities and Exchange Commission on March 15, 2018, May 8, 2018, and August 9, 2018, respectively, and in our subsequent filings with the Securities and Exchange Commission. The Form 10-K, 10-Q's, and our subsequent filings with the Securities and Exchange Commission identify important factors that could cause our actual results to differ materially from those contained in or contemplated by our projections, estimates and other forward-looking statements.
Agenda

1. tZERO: *Building Our Lead*
2. Other Medici Ventures
3. Retail: *The Ship Has Turned*
4. Q&A
Update

1. Product Update
2. Human Capital
3. What’s Next
4. Strategic Investment
Security Token Ecosystem

Issuer 1

Issuer 2

Issuer 3...

Issuance Platform

Security Token ATS / Exchange

Trading Platform

Crypto Exchange

Investor 1

Investor 2

Investor 3...
Security Token Ecosystem
Security Token Ecosystem

Issuer 1 → Issuance Platform → Security Token ATS / Exchange → Trading Platform → Investor 1

Crypto Exchange
tZERO Security Tokens

1. Preferred tZERO Security Tokens Issued! – **Completed Early 10/12/2018**
2. Open-Sourced Token Contracts – **Completed 10/30/2018**
   https://github.com/tZERO-dev/T0ken
3. Designate an Approved Broker Dealer
4. Investors Setup Brokerage Account
5. Tokens Trading (targeting Q1 2019)
Product Roadmap

**Issuance Platform**
- **tZERO Token Issuance**
- Issuance Platform to Support STO’s

**Security Token ATS / Exchange**
- Secondary Trading of tZERO Token on ATS
- Additional Security Tokens Listed and Trading on ATS
- Security Token Exchange (BOX JV)

**Trading Platform**
- tZERO Token Trading Platform
- Support for All Traditional US Equities
- Onboard Additional BD’s
- Trade Crypto Through tZERO

**Crypto Exchange**
- tZERO Crypto Exchange

Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019
Digital Locate Receipt (DLR)

- Securities Lender 1
- Securities Lender 2
- Securities Lender 3...
- Borrower 1
- Borrower 2
- Borrower 3...

DLR Platform

DLR User Interface
Human Capital

• Doubled Product Development Team!
• Chief Technology Officer: Amit Goyal
• Chief Legal Officer: Alan Konevsky (starting 11/26)
• Recruiting Seasoned Capital Markets Expert for President
What’s Next

1. Onboard Issuers & Support Other Token Standards – **Starting Q1 2019**
2. Onboard Investors & License Trading Platform to Broker Dealers – **Starting Q1 2019**
3. Launch BOX JV Exchange
4. International Expansion / Partnerships
5. Support Other Asset Classes
Strategic Investment

GSR

• Legal Diligence is Complete
• Finalizing Definitive Docs for the Purchase of OSTK and tZERO Common Stock

Other Strategic Investors
Change the world by advancing blockchain technology to:

- Democratize capital
- Eliminate middlemen
- Re-humanize commerce
Medici Ventures

Identity & Social Media
Property & Land
Money & Banking
Capital Markets
Supply Chain
Voting
<table>
<thead>
<tr>
<th>Company</th>
<th>Ownership</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>tZERO</td>
<td>80%</td>
<td>Digital securities technology</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trade routing and execution</td>
</tr>
<tr>
<td>Medici Land Governance</td>
<td>57%</td>
<td>Blockchain and other technologies to bring property ownership information</td>
</tr>
<tr>
<td></td>
<td></td>
<td>to light</td>
</tr>
<tr>
<td>Bitsy</td>
<td>33%</td>
<td>Crypto currency wallet</td>
</tr>
<tr>
<td>SettleMint</td>
<td>30%</td>
<td>Smart cities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Digital voting systems</td>
</tr>
<tr>
<td>Chainstone Labs</td>
<td>29%</td>
<td>Tokenization of securities and digital assets backed by hard assets</td>
</tr>
<tr>
<td>Minds</td>
<td>24%</td>
<td>Social network</td>
</tr>
<tr>
<td>Bitt</td>
<td>20-35%*</td>
<td>Digital payments</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Remittance payments</td>
</tr>
<tr>
<td>VinX</td>
<td>20%</td>
<td>Platform to enable wineries to sell wine futures and develop direct</td>
</tr>
<tr>
<td></td>
<td></td>
<td>connections with consumers</td>
</tr>
<tr>
<td>Spera</td>
<td>18%</td>
<td>SME business platform management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Payment and invoicing systems</td>
</tr>
<tr>
<td>Voatz</td>
<td>13%</td>
<td>Secure mobile voting</td>
</tr>
<tr>
<td>PeerNova</td>
<td>12%</td>
<td>Distributed ledger technology for financial institutions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Banking compliance software</td>
</tr>
<tr>
<td>GrainChain</td>
<td>10%</td>
<td>Verified, instant and secured transactions for agricultural commodities</td>
</tr>
<tr>
<td>IdentityMind</td>
<td>4%</td>
<td>Identity verification</td>
</tr>
<tr>
<td></td>
<td></td>
<td>KYC and AML compliance software</td>
</tr>
<tr>
<td>Factom</td>
<td>3%</td>
<td>Mortgage loan compliance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vaccine tracking and supply chain</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Homeland Security camera signatures</td>
</tr>
<tr>
<td>FinClusive</td>
<td>3%</td>
<td>Modernizing banking</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strengthening system integrity</td>
</tr>
<tr>
<td>Ripio</td>
<td>2%</td>
<td>Digital payments</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Remittance payments</td>
</tr>
<tr>
<td>Votem</td>
<td>2%</td>
<td>Secure mobile voting</td>
</tr>
<tr>
<td>Symbiont</td>
<td>1%</td>
<td>Digital securities technology</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Smart contracts</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Private equity and crowd funding software</td>
</tr>
<tr>
<td>NetKi</td>
<td>N/A</td>
<td>Global ID validation</td>
</tr>
</tbody>
</table>

Cumulative capital deployed into blockchain includes the cost of equity interest acquired, any loans issued and accumulated net operating losses of consolidated entities. It also includes equity interests acquired by tZERO that are not included in the table above.

* Current ownership is 20%, with options that could increase it to as much as 35%.
• Goal: promote economic development by liberating trapped capital by building land governance systems using blockchain and other technologies (mobile apps, social media, AI)

• Partner: World Bank

• Zambia: providing land tenure security, titling 50K homes, created 200+ local jobs

• Rwanda: implementing paperless land titling and property management system

• Pursuing projects in East and West Africa, Eastern Europe, Central & South Asia

• Initiating our first US titling project
Provides Real Possession of Your Bitcoin
With Biometrics YOU Are Your Password
Recover Your Funds Anywhere, Anytime
Launching Public Access to Beta November 12
New Portfolio Companies

- VINX
- GRANCHAIN
- CHAINSTONE LABS
- NETKI
- MINDS
- votem
Key Press Coverage
Retail Revenue Growth and Contribution

Retail Contribution is a non-GAAP financial measure which is calculated as retail gross profit less retail sales and marketing expense. See Appendix for Contribution Reconciliation.
Significant Marketing Efficiency Gains

**Google Paid**

- **Revenue:**
  - Jan: Lower bar
  - Sep: Higher bar

- **ROAS:**
  - Jan: Lower bar
  - Sep: Higher bar by +43%

**Pinterest**

- **Revenue:**
  - Jan: Lower bar
  - Sep: Higher bar

- **ROAS:**
  - Jan: Lower bar
  - Sep: Higher bar by +187%

**Facebook**

- **Revenue:**
  - Jan: Lower bar
  - Sep: Higher bar

- **ROAS:**
  - Jan: Lower bar
  - Sep: Higher bar by +82%
Paid Club O Memberships

+66% YoY
Overstock vs. Competitors in Top 100 Keywords Since May

Source: seoClarity (November 1, 2018)
Keyword Rankings in Top 10 Results

Source: seoClarity (November 1, 2018)
Retail: The Ship Has Turned

• Maintained positive revenue growth
• Gross margin improvement – Q3 19.5% vs. Q2 18.9%
• Contribution\(^1\) turnaround – Q3 $29.9 million vs. Q2 ($3.3) million
• Pre-tax loss\(^2\) excluding special legal costs\(^3\) – Q3 ($29.2) million vs. Q2 ($57.4) million
• Pre-tax loss\(^2\) – Q3 ($40.0) million vs. Q2 ($57.4) million

\(^1\) Retail Contribution is a non-GAAP financial measure calculated as retail gross profit less retail sales and marketing expense. See Contribution Reconciliation in Appendix

\(^2\) Excluding intercompany transactions eliminated in consolidation.

\(^3\) $10.8M in special legal costs related to our gift card escheatment case in Delaware and capital raising efforts.
Strategic Alternatives
Send questions to ir@overstock.com
Appendix
Q3 2018 Results: OSTK Total

<table>
<thead>
<tr>
<th>Revenue</th>
<th>$440.6 Million</th>
<th>4% increase vs. Q3 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Profit</td>
<td>$86.7 Million</td>
<td>4% increase vs. Q3 2017</td>
</tr>
<tr>
<td>Pre-Tax Loss</td>
<td>($49.4) Million¹</td>
<td>($40.0M) – Retail²</td>
</tr>
<tr>
<td></td>
<td></td>
<td>($9.4M) – Medici²</td>
</tr>
<tr>
<td></td>
<td></td>
<td>vs. ($6.5) million in Q3 2017</td>
</tr>
<tr>
<td></td>
<td></td>
<td>($2.9M) – Retail²</td>
</tr>
<tr>
<td></td>
<td></td>
<td>($3.7M) – Medici²</td>
</tr>
<tr>
<td>Contribution³</td>
<td>$31.4 Million</td>
<td>20% decrease vs. Q3 2017</td>
</tr>
<tr>
<td>Ending Cash</td>
<td>$182.0 Million</td>
<td>vs. $152.2 million at June 30, 2018</td>
</tr>
<tr>
<td>Proceeds from Equity Offering</td>
<td>$94.6 Million</td>
<td>2.9 million shares at avg. $33.71 per share</td>
</tr>
</tbody>
</table>

¹ Includes $10.8M in special legal costs related to our gift card escheatment case in Delaware and capital raising efforts.
² Excluding intercompany transactions eliminated in consolidation.
³ Contribution is a non-GAAP financial measure calculated as gross profit less sales and marketing expense.
Q3 2018 Results: Retail

Revenue
$435.8 Million
4% increase vs. Q3 2017

Gross Profit
$85.1 Million
3% increase vs. Q3 2017

Gross Margin
19.5%
vs. 19.6% in Q3 2017

Contribution1
$29.9 Million
vs. $38.1 million in Q3 2017
vs. ($3.3) million in Q2 2018

Contribution Margin1
6.9%
vs. 9.1% in Q3 2017
vs. (0.7%) in Q2 2018

Pre-Tax Loss2
($40.0) Million3
vs. ($2.9) million in Q3 2017

1 Retail Contribution is a non-GAAP financial measure calculated as retail gross profit less retail sales and marketing expense.
2 Excluding intercompany transactions eliminated in consolidation.
3 Includes $10.8M in special legal costs related to our gift card escheatment case in Delaware and capital raising efforts. See Contribution Reconciliation in Appendix
## Contribution Reconciliation

### Q3 2018

<table>
<thead>
<tr>
<th></th>
<th>Direct</th>
<th>Partner</th>
<th>Retail Total</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net revenue</td>
<td>$15,424</td>
<td>$420,351</td>
<td>$435,775</td>
<td>$4,805</td>
<td>$440,580</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>16,205</td>
<td>334,446</td>
<td>350,651</td>
<td>3,213</td>
<td>353,864</td>
</tr>
<tr>
<td>Gross profit</td>
<td>$ (781)</td>
<td>$85,905</td>
<td>$85,124</td>
<td>$1,592</td>
<td>$86,716</td>
</tr>
<tr>
<td>Less: Sales and marketing expense</td>
<td>55,182</td>
<td>130</td>
<td>55,312</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution</td>
<td>$29,942</td>
<td>$1,462</td>
<td>$31,404</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution margin</td>
<td>6.9%</td>
<td>30.4%</td>
<td>7.1%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Q3 2017

<table>
<thead>
<tr>
<th></th>
<th>Direct</th>
<th>Partner</th>
<th>Retail Total</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net revenue</td>
<td>$19,645</td>
<td>$400,419</td>
<td>$420,064</td>
<td>$3,943</td>
<td>$424,007</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>19,577</td>
<td>318,121</td>
<td>337,698</td>
<td>2,634</td>
<td>340,332</td>
</tr>
<tr>
<td>Gross profit</td>
<td>$ 68</td>
<td>$82,298</td>
<td>$82,366</td>
<td>$1,309</td>
<td>$83,675</td>
</tr>
<tr>
<td>Less: Sales and marketing expense</td>
<td>44,910</td>
<td>243</td>
<td>45,153</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plus: Club O Rewards and gift card breakage* (included in Other expense, net)</td>
<td></td>
<td></td>
<td>692</td>
<td></td>
<td>692</td>
</tr>
<tr>
<td>Contribution</td>
<td>$38,148</td>
<td>$1,066</td>
<td>$39,214</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution margin</td>
<td>9.1%</td>
<td>27.0%</td>
<td>9.2%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Q2 2018

<table>
<thead>
<tr>
<th></th>
<th>Direct</th>
<th>Partner</th>
<th>Retail Total</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net revenue</td>
<td>$14,715</td>
<td>$462,968</td>
<td>$477,683</td>
<td>$5,450</td>
<td>$483,133</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>14,672</td>
<td>372,580</td>
<td>387,252</td>
<td>4,138</td>
<td>391,390</td>
</tr>
<tr>
<td>Gross profit</td>
<td>$ 43</td>
<td>$90,388</td>
<td>$90,431</td>
<td>$1,312</td>
<td>$91,743</td>
</tr>
<tr>
<td>Less: Sales and marketing expense</td>
<td>93,747</td>
<td>669</td>
<td>94,416</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution</td>
<td>$(3,316)</td>
<td>$643</td>
<td>$(2,673)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution margin</td>
<td>-0.7%</td>
<td>11.8%</td>
<td>-0.6%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Effective January 1, 2018, we made a change in accounting principle to present Club O Rewards and gift card breakage in Partner and other revenue instead of Other expense, net on our consolidated statements of operations. This change impacts the presentation of Total net revenue, Gross profit and Other expense, net, but does not impact the calculation of contribution.

Contribution and contribution margin are used in addition to and in conjunction with results presented in accordance with GAAP and should not be relied upon to the exclusion of GAAP financial measures. You should review our financial statements and publicly-filed reports in their entirety and not rely on any single financial measure.