



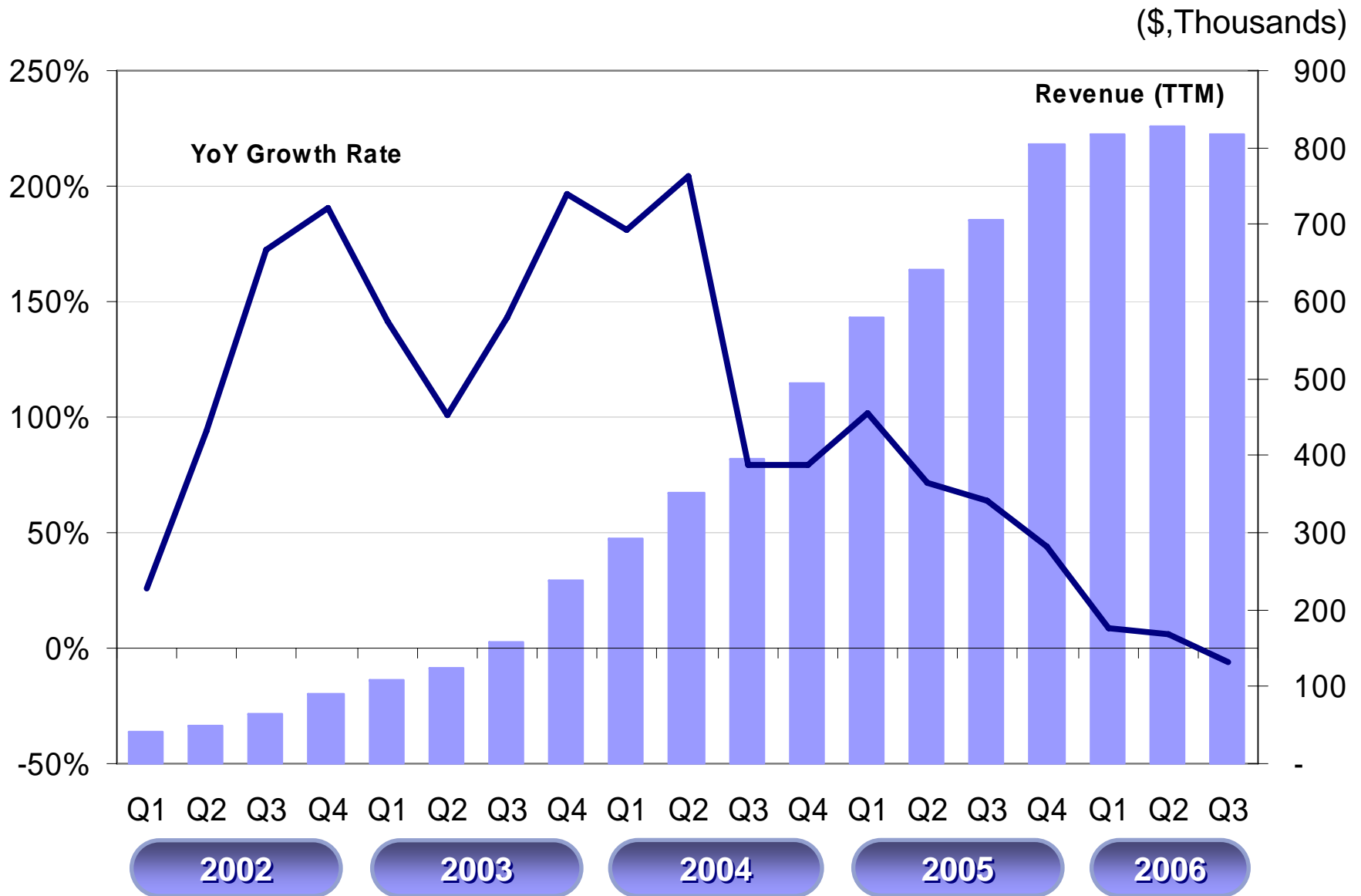
**Overstock.com, Inc. Q3 2006
Financial Results Presentation**

November 6, 2006

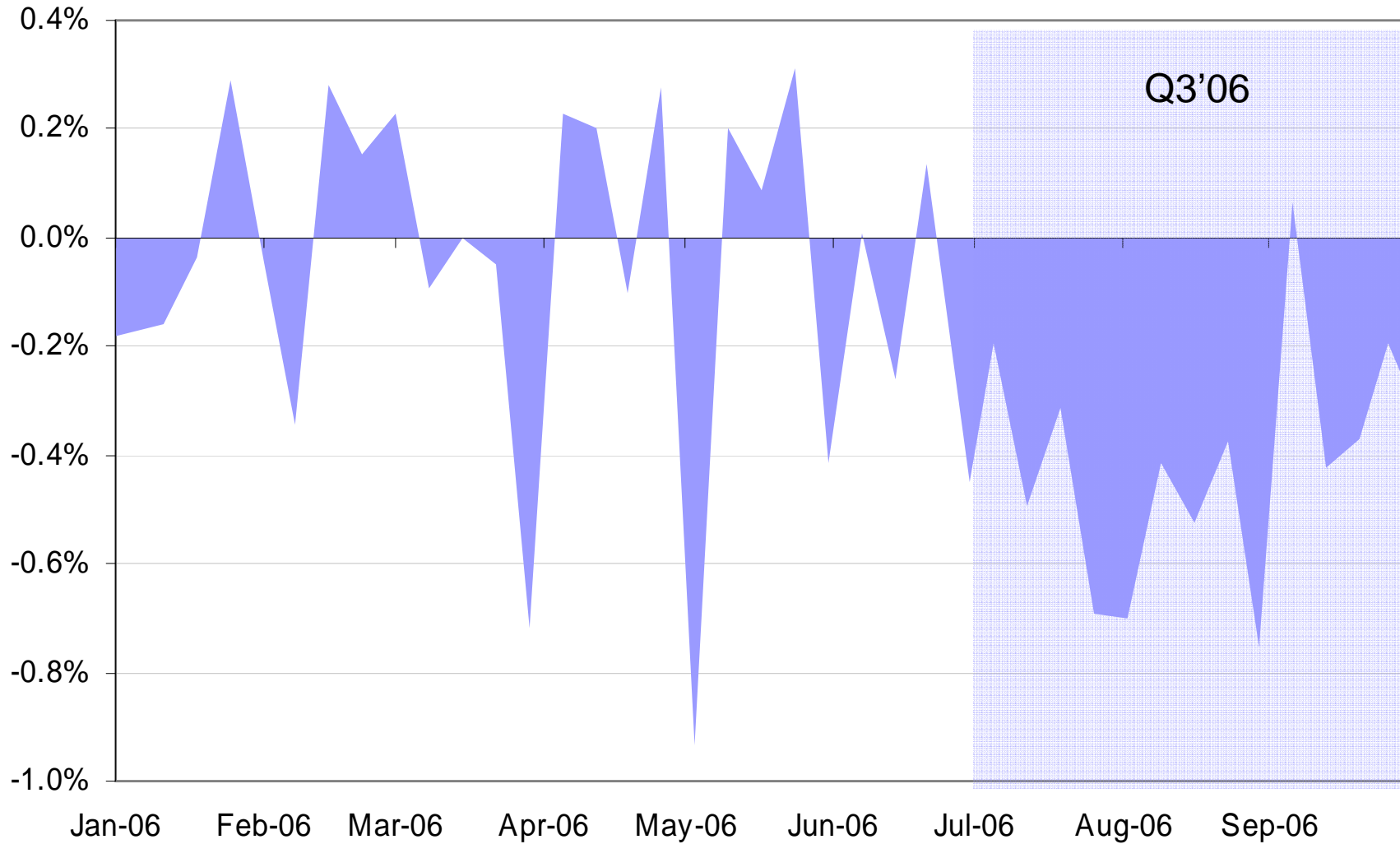
Overstock.com®

The following information contains, or may be deemed to contain, “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995). By their nature, forward-looking statements involve risk and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The future results may vary from the results expressed in, or implied by, the following forward-looking statements, possibly to a material degree. For a discussion of some of the important factors that could cause the results to differ from those expressed in, or implied by, the following forward-looking statements, and for definition of the non-GAAP term “Gross Bookings,” please refer to documents that the Company files with the SEC, including but not limited to, its most recent reports on forms 10-K, 10-Q, 8-K and S-1. The Company undertakes no obligation to update or revise any forward-looking statements.

YoY Growth Rates & TTM Revenue



Change in site conversion for the first 9 months of 2005 to 2006

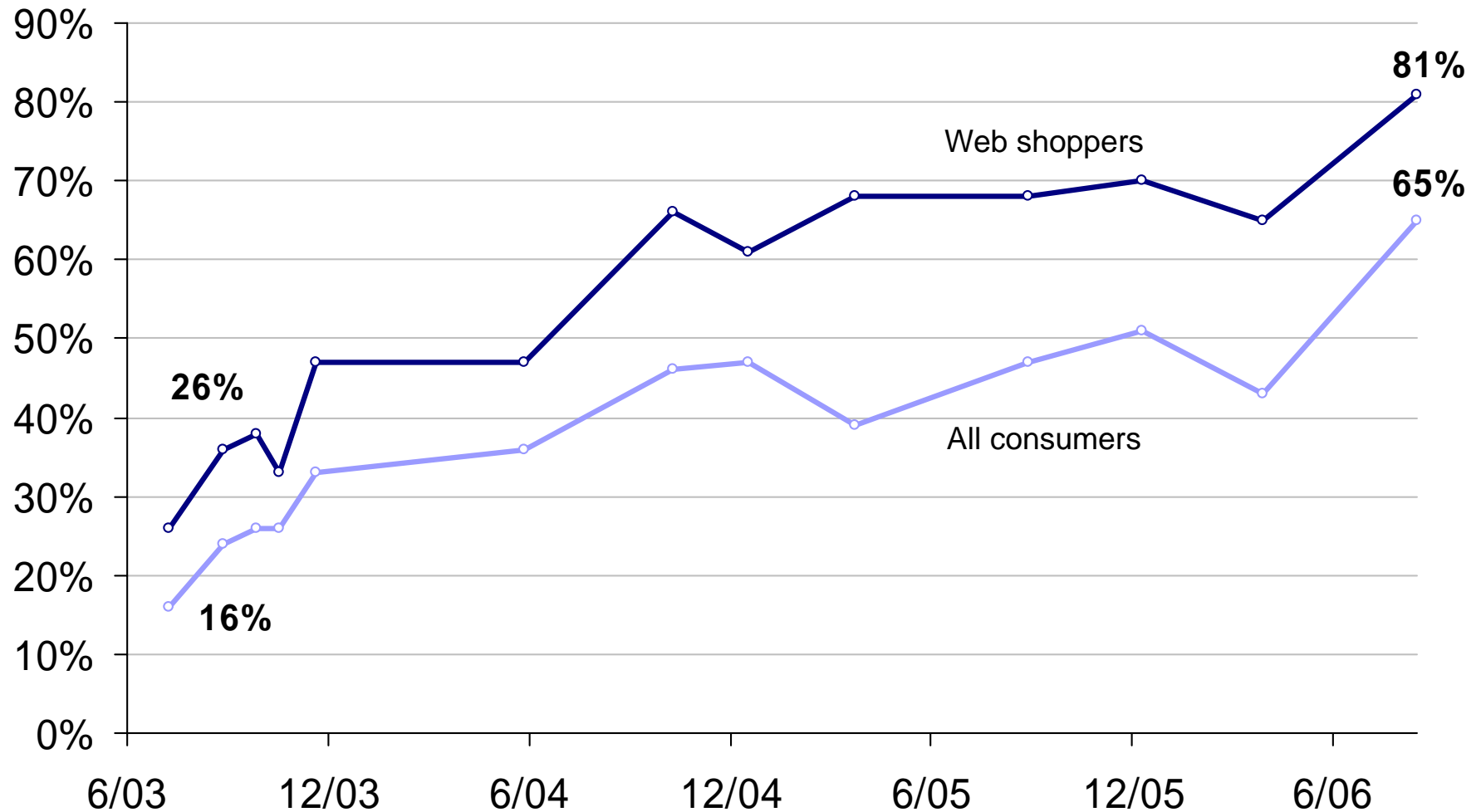


- Collaborative Filtering (Aggregate Knowledge)
 - Currently live on product pages
 - Near future will roll out to sub-categories, categories, stores, etc.

- Bayesian (Choice Stream)
 - Gift Center will roll out next week (11/15)
 - Product recommendations will roll in Q1'07
 - eMail will roll in Q2

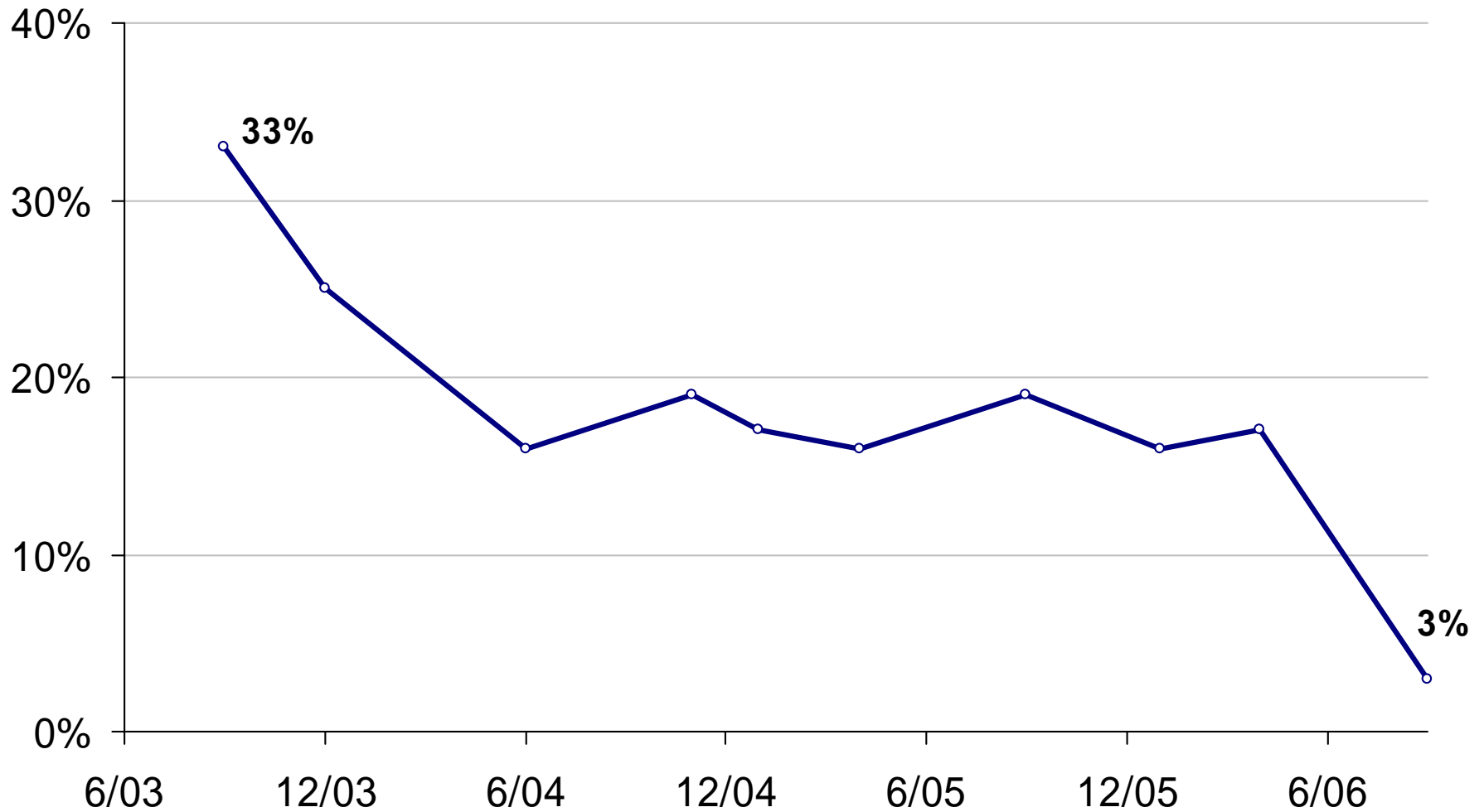
- Content Management (Kefta)

Prompted name recognition



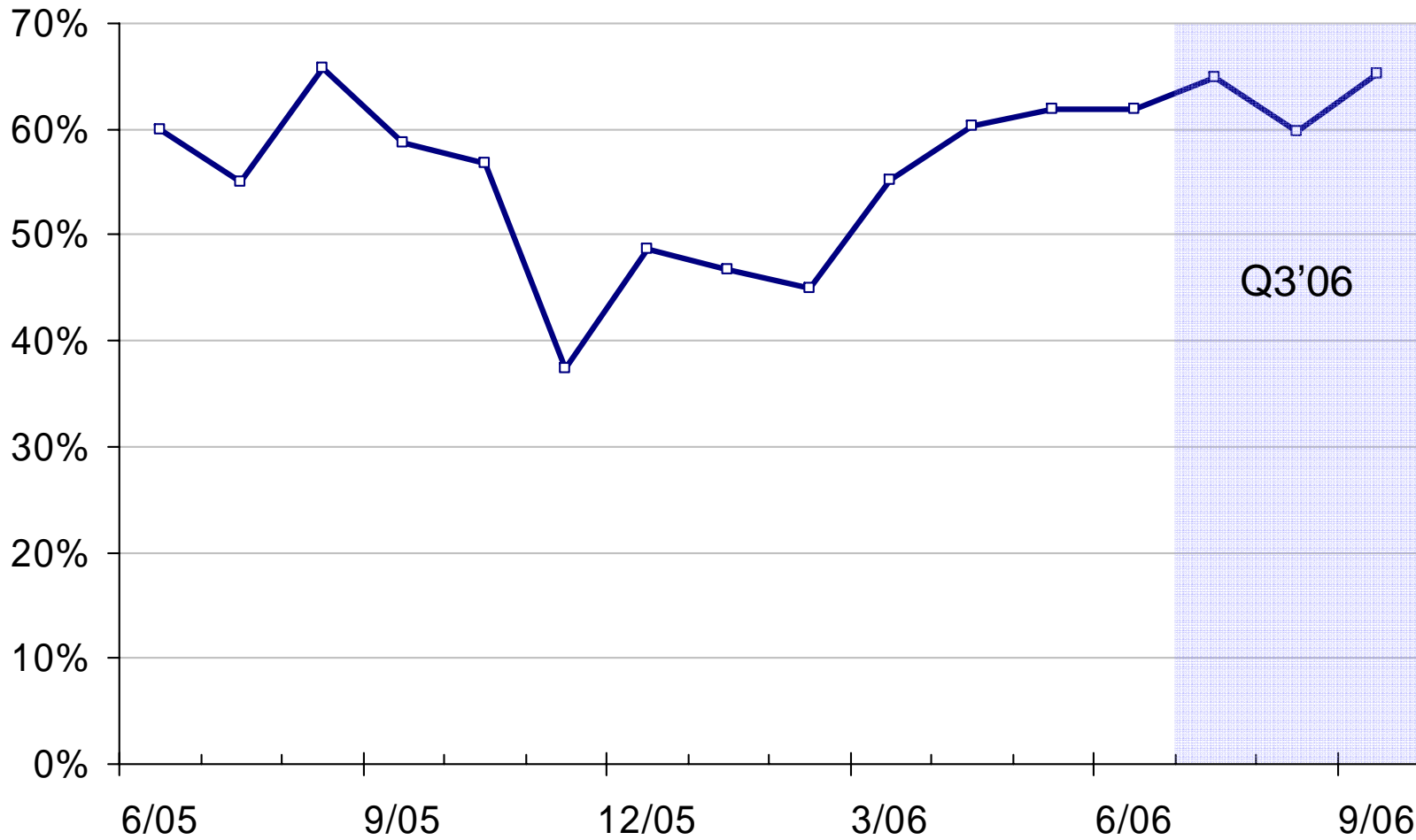
Source: Abacus Associates; Survey of all consumers and web shoppers; last survey completed 9/14/06

Difference between unprompted name recognition for Amazon and Overstock



Source: Abacus Associates; Survey of all consumers

Net Promoter Score

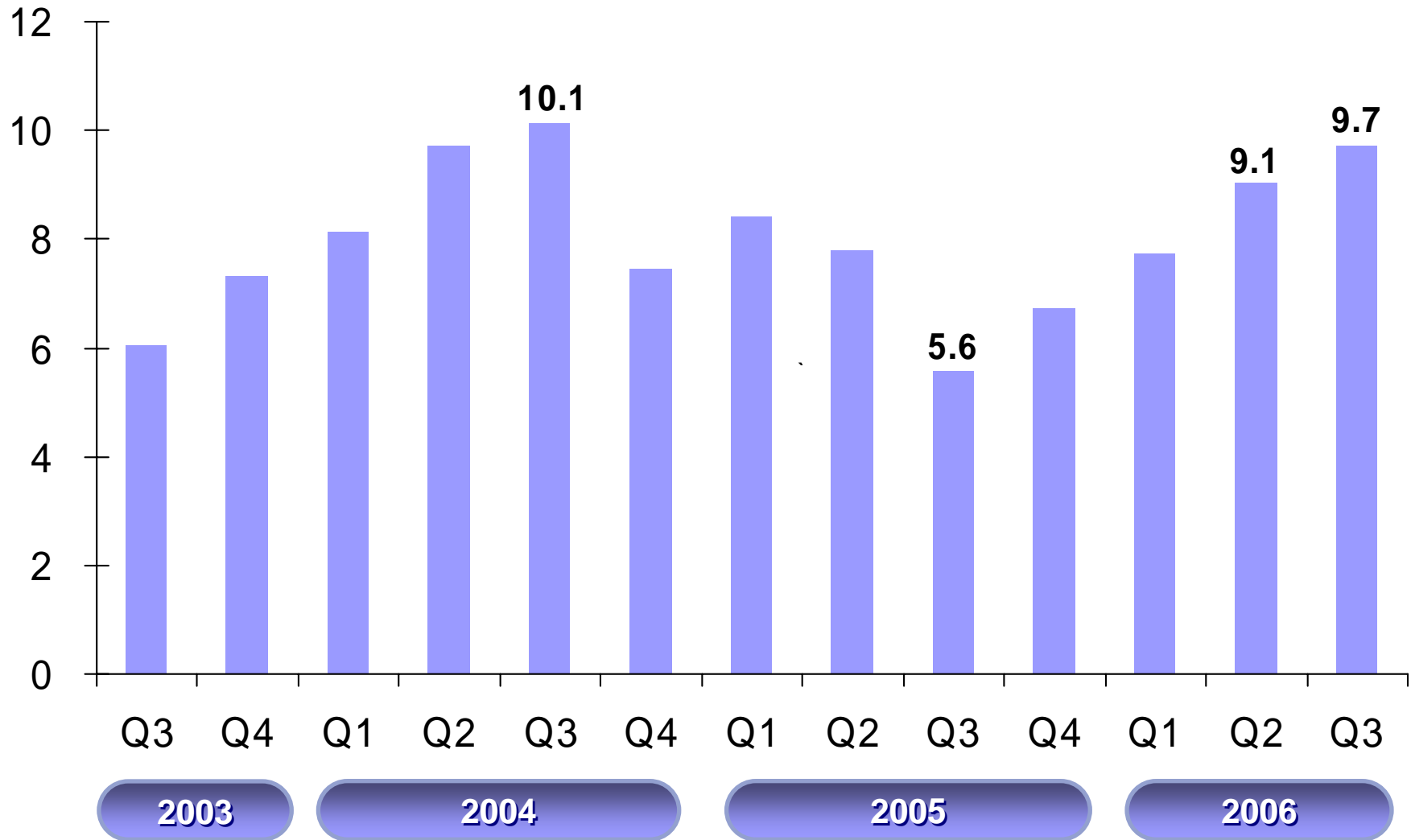


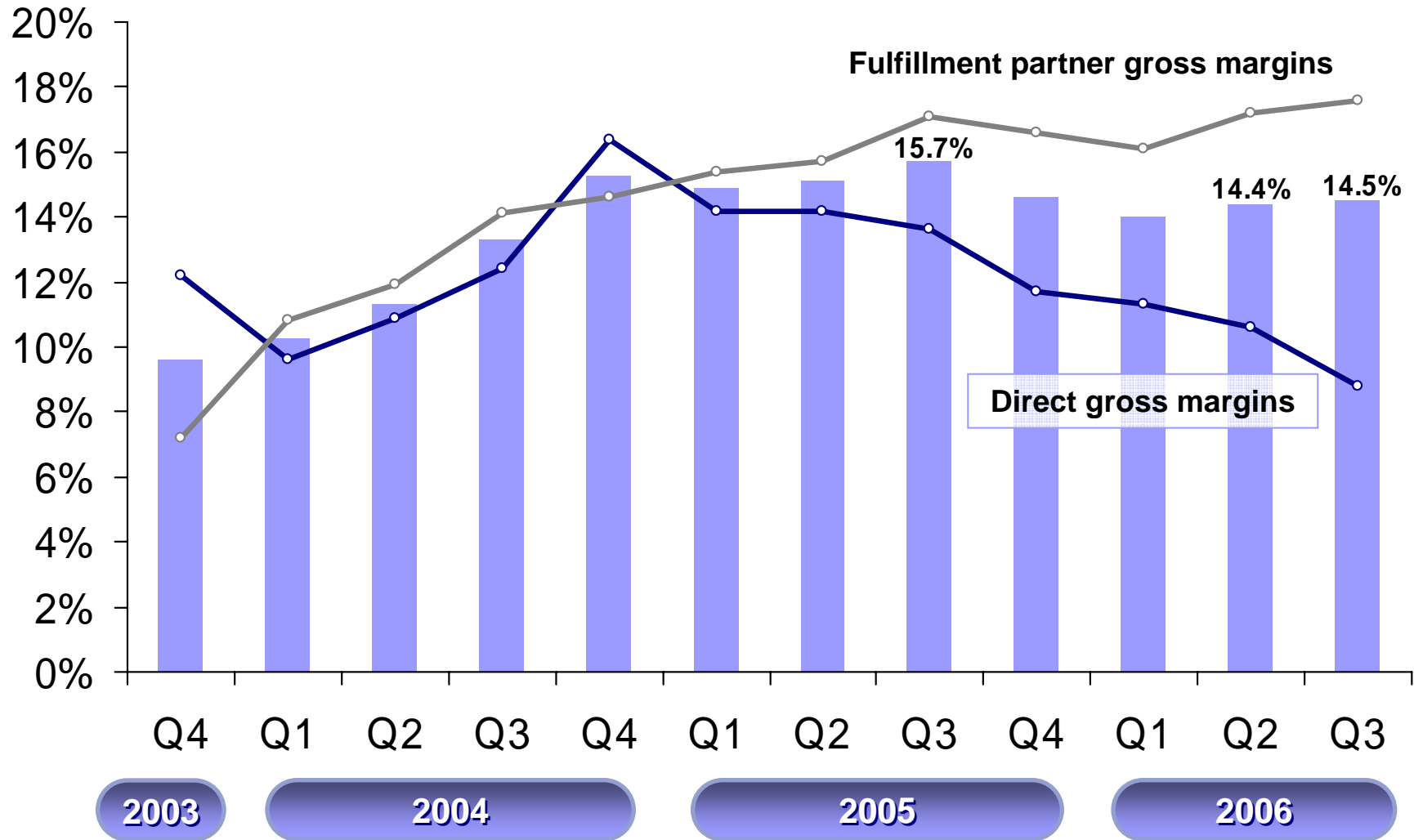
NRF Foundation/American Express 2006 Customer Service survey

1. Amazon.com
2. Nordstrom
3. L.L. Bean
4. **Overstock.com**
5. Lane Bryant
6. Boscov's
7. Kohl's
8. REI
9. Lands' End
10. Macy's

About the Survey

The NRF Foundation/American Express 2006 Customer Service survey was designed to gauge consumer attitudes toward retailers' customer service and to provide a listing of the top customer service retailers. The survey, which polled 8,001 consumers, was conducted by consumer marketing intelligence firm BIGresearch from September 6-13, 2006... Consumers answered the open ended question, "Which retailer delivers the best customer service?"

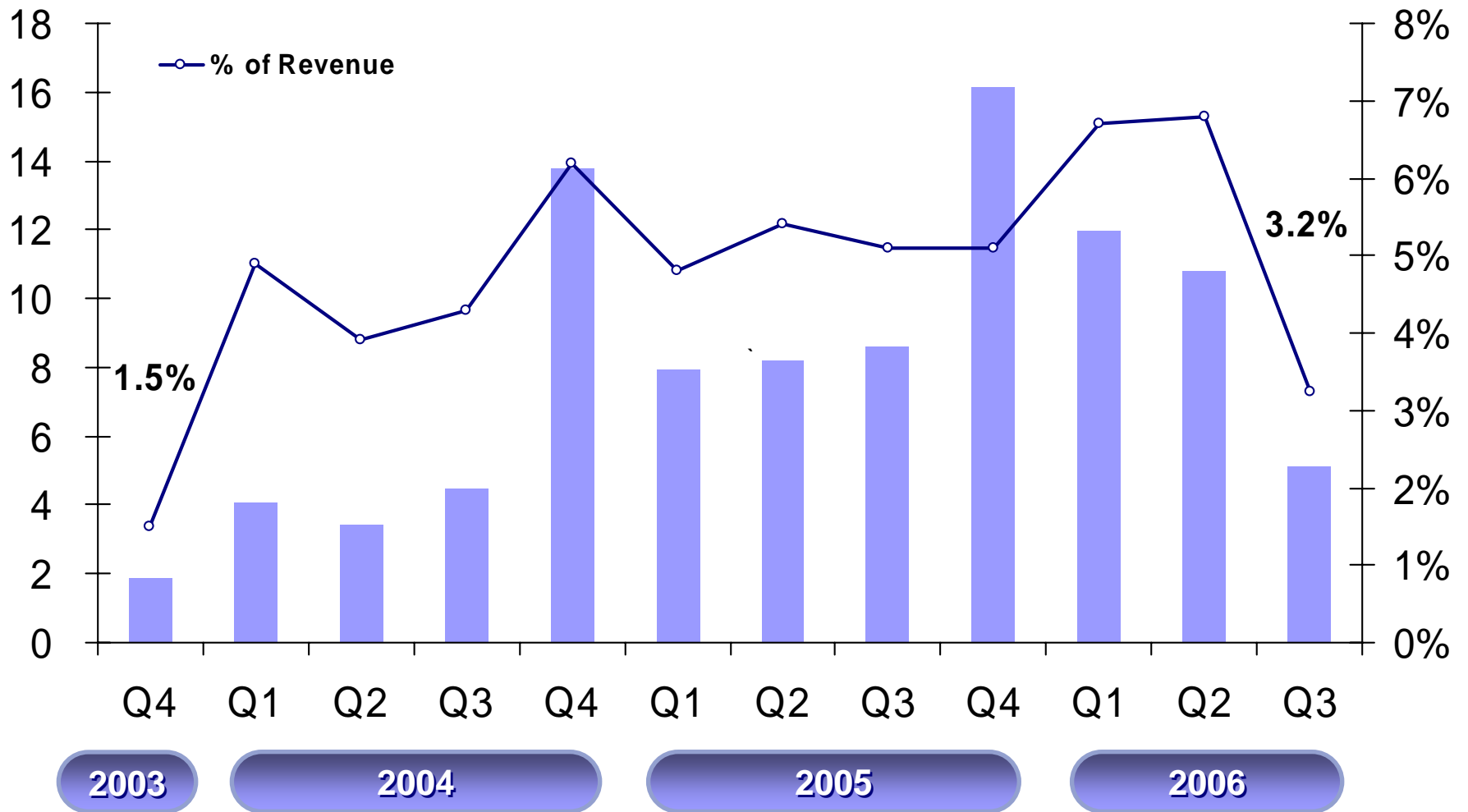




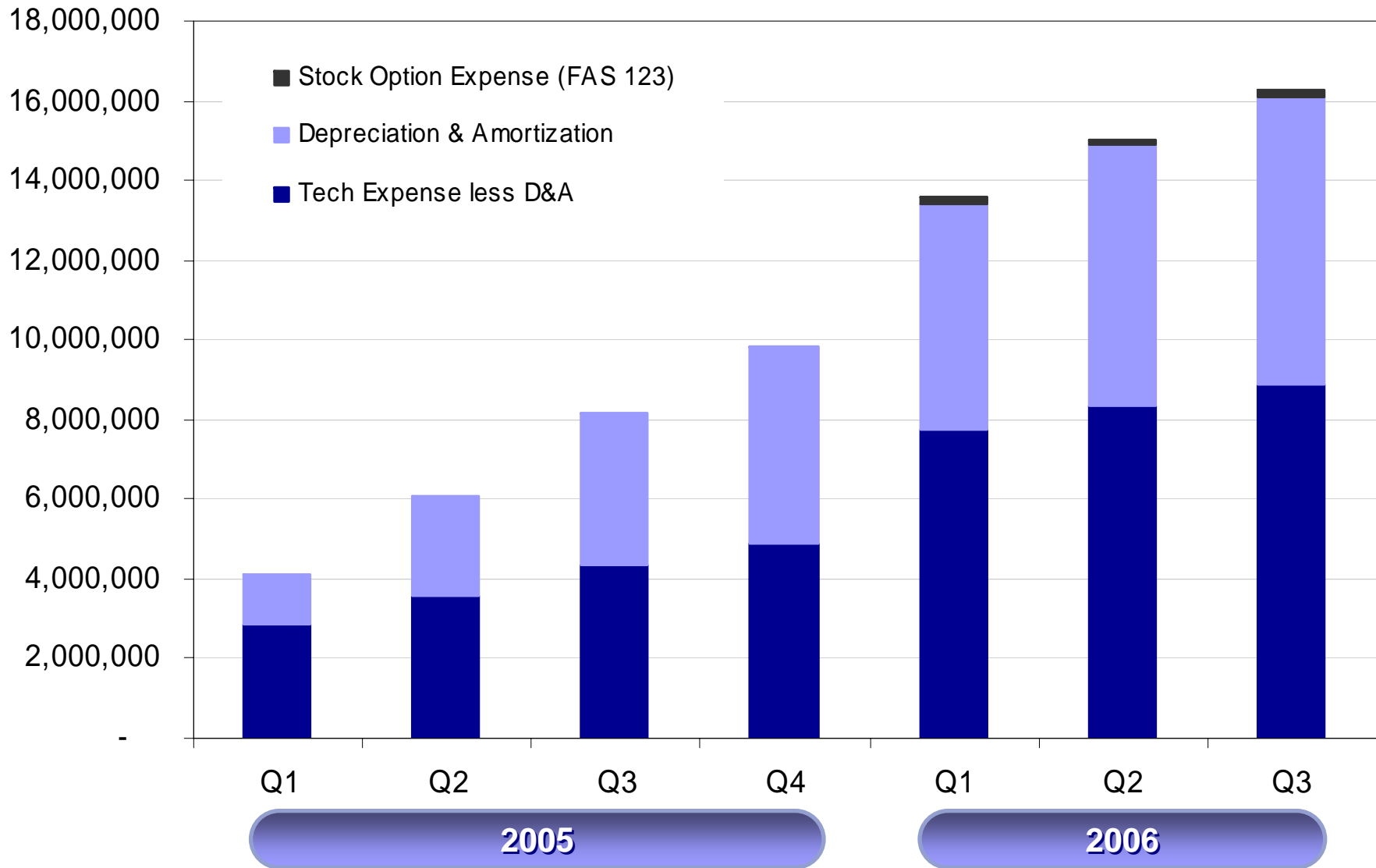
Contribution Margin

(\$, millions)

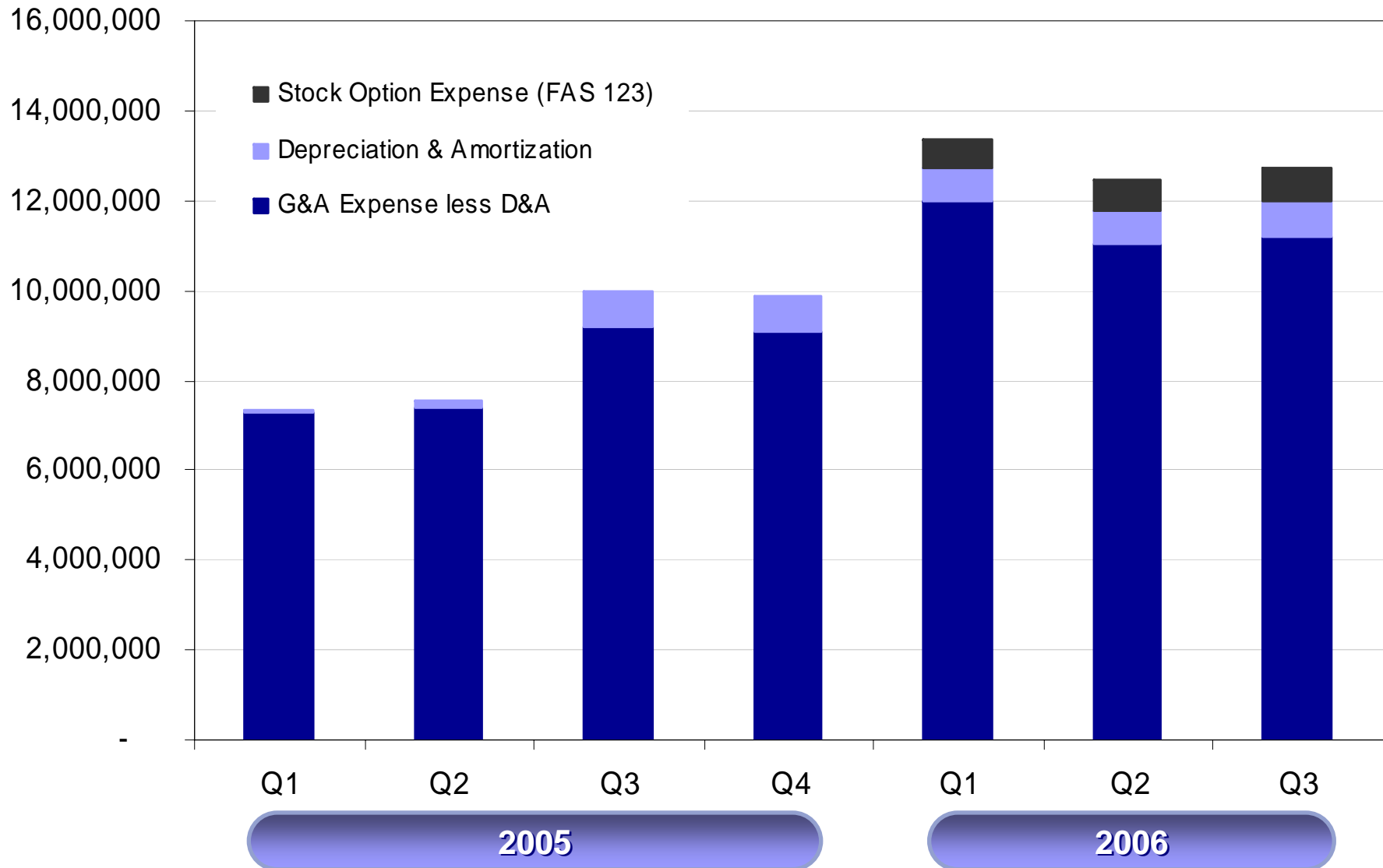
Gross Profit less Marketing Expense



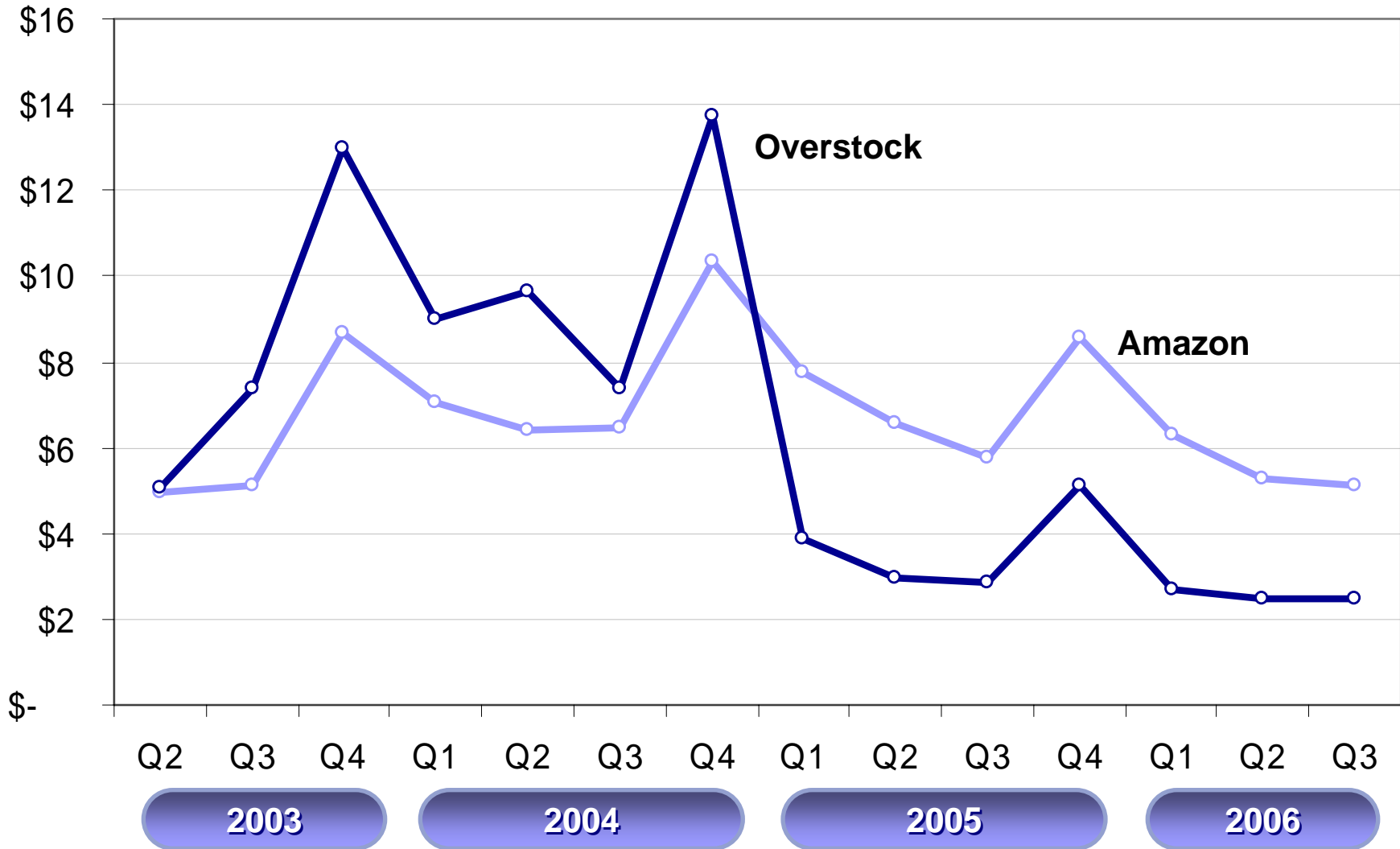
Tech Expense Detail



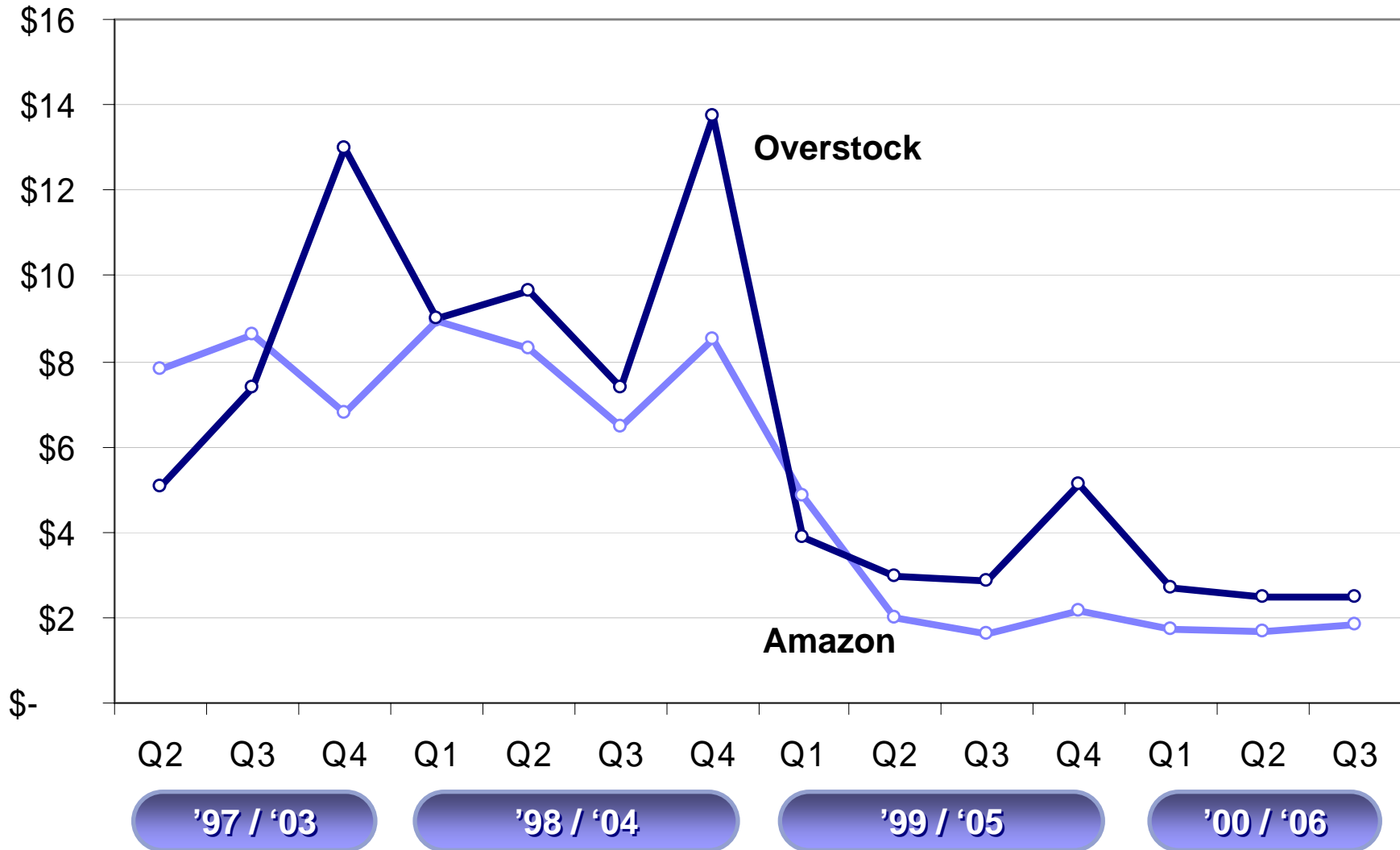
G&A Expense Detail



Q2 2003 through Q3 2006



Overstock (2003-2006) and Amazon (1997-2000)



Q & A

The logo for Overstock.com features a large, stylized red letter 'O' on the left. To its right, the text 'verstock.com' is written in a black, sans-serif font. A registered trademark symbol (®) is located at the end of the text.

Overstock.com®

CUSTOMER SERVICE / LOGISTICS

1. How are your customer satisfaction scores trending?
2. What is the state of warehouse operations?
3. How do you feel about capacity?

MERCHANDISING

1. Discuss the changes you have made to your Merchandising strategy?
2. You have suggested that contribution margin could be 10% next year by focusing on the 20% of the SKUs that generate 80% of your profits. Can you give us an update on how this is going?
3. Are the new compensation incentives for buyers working?

ANALYTICS/INTERNAL MARKETING

1. Conversion rates - progress on initiatives
2. On the new website there have been some design changes. Are you seeing improved on-site conversion rates?

SALES & MARKETING

1. What is your marketing plan for Q4?
2. Has the campaign begun yet in earnest and how do you intend to keep sales and marketing expenses in the 7% of revenue range in 4Q?
3. How do we think about new customer growth? Repeat customer growth?
4. How do you view the overall online marketing landscape as we move into 4Q holiday season (search keywords, graphical ad inventory, etc.)?

REVENUE GROWTH

1. How are you thinking about revenue growth through Q4 and for 2007?
2. How has slowing growth changed the economics of the business?

GROSS PROFIT

1. You have said that direct gross margins should be higher than partner gross margins once you clear out some of the lower quality/less desirable inventory. When can we expect that gap to narrow?
2. To what degree are improved return rates going to help improve gross margins vs. better product mix?

PROFITABILITY

1. When will you become profitable?