



**Overstock.com, Inc. Q1 2007
Financial Results Presentation**

April 25, 2007

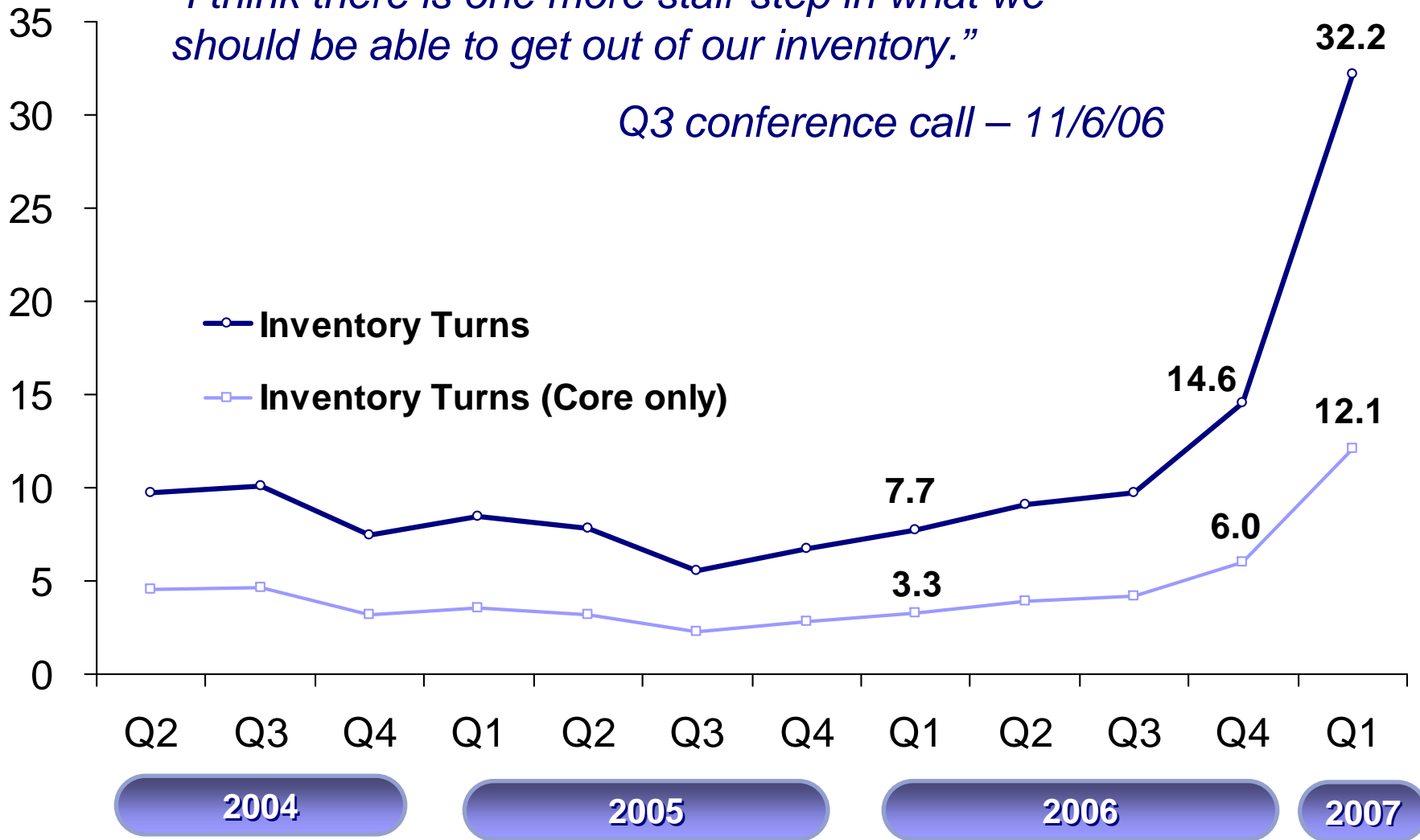


The following information contains, or may be deemed to contain, “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995). By their nature, forward-looking statements involve risk and uncertainties because they relate to events and depend on circumstances 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.

Annualized Inventory Turns

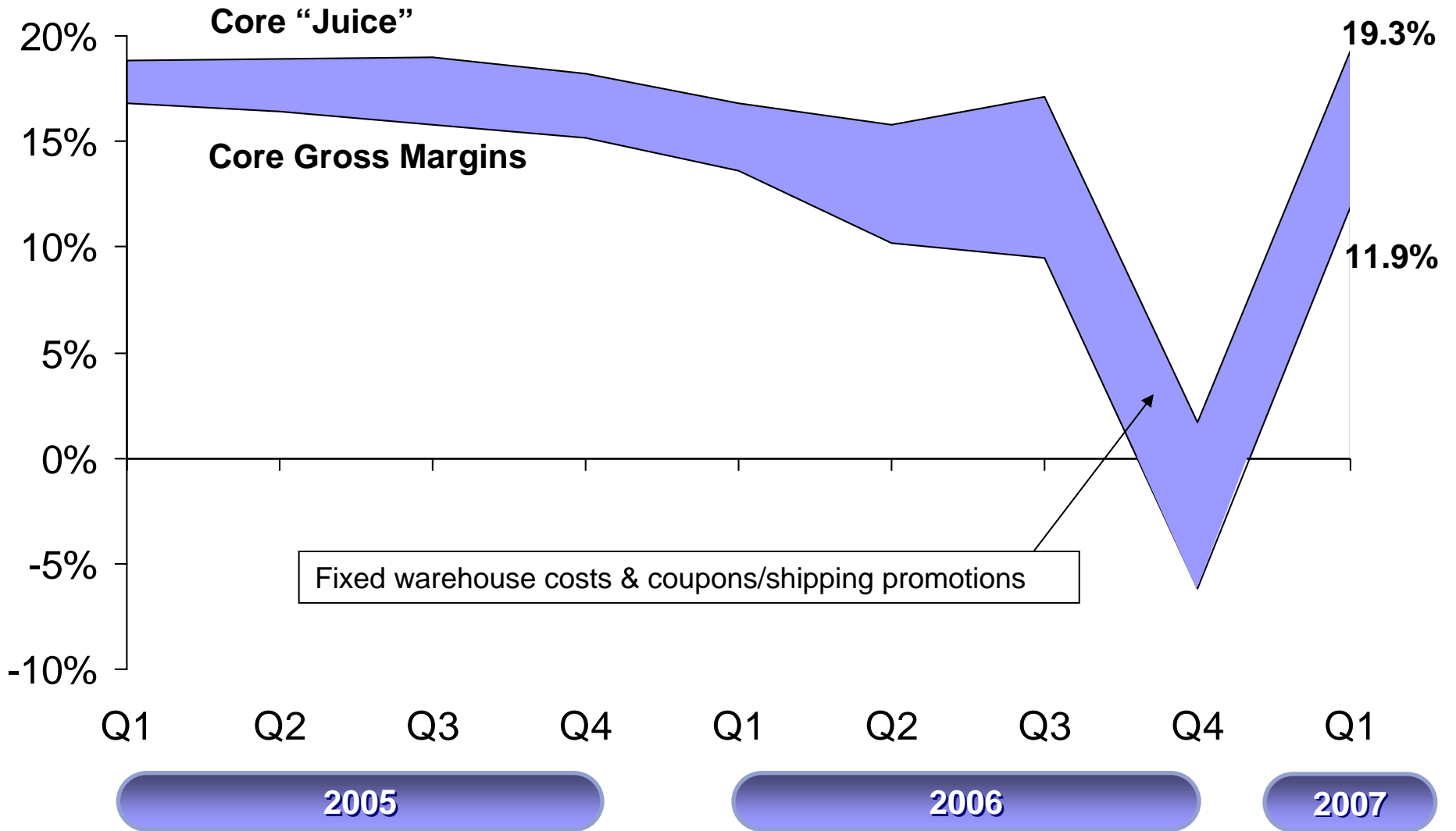
"I think there is one more stair step in what we should be able to get out of our inventory."

Q3 conference call – 11/6/06

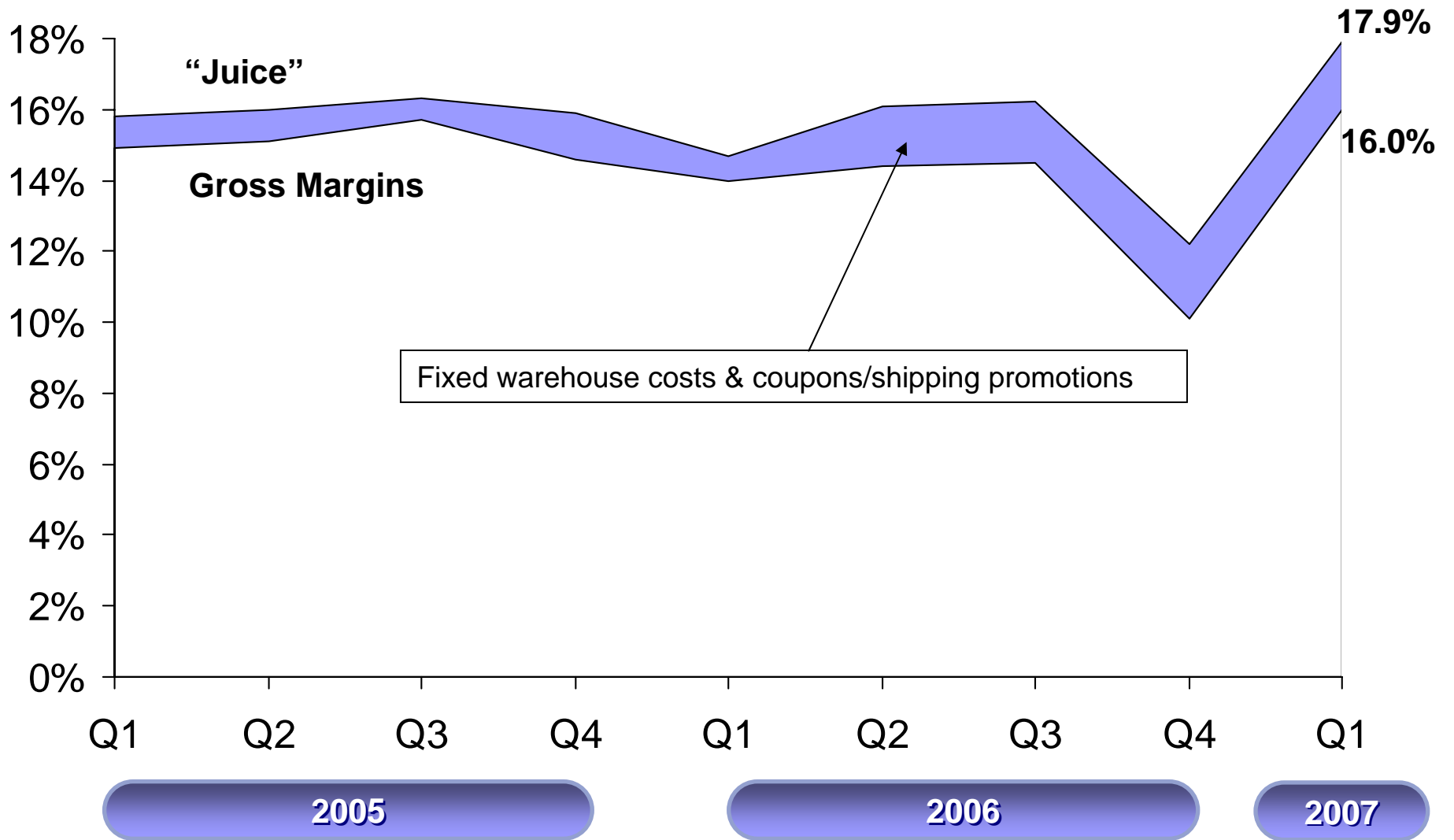


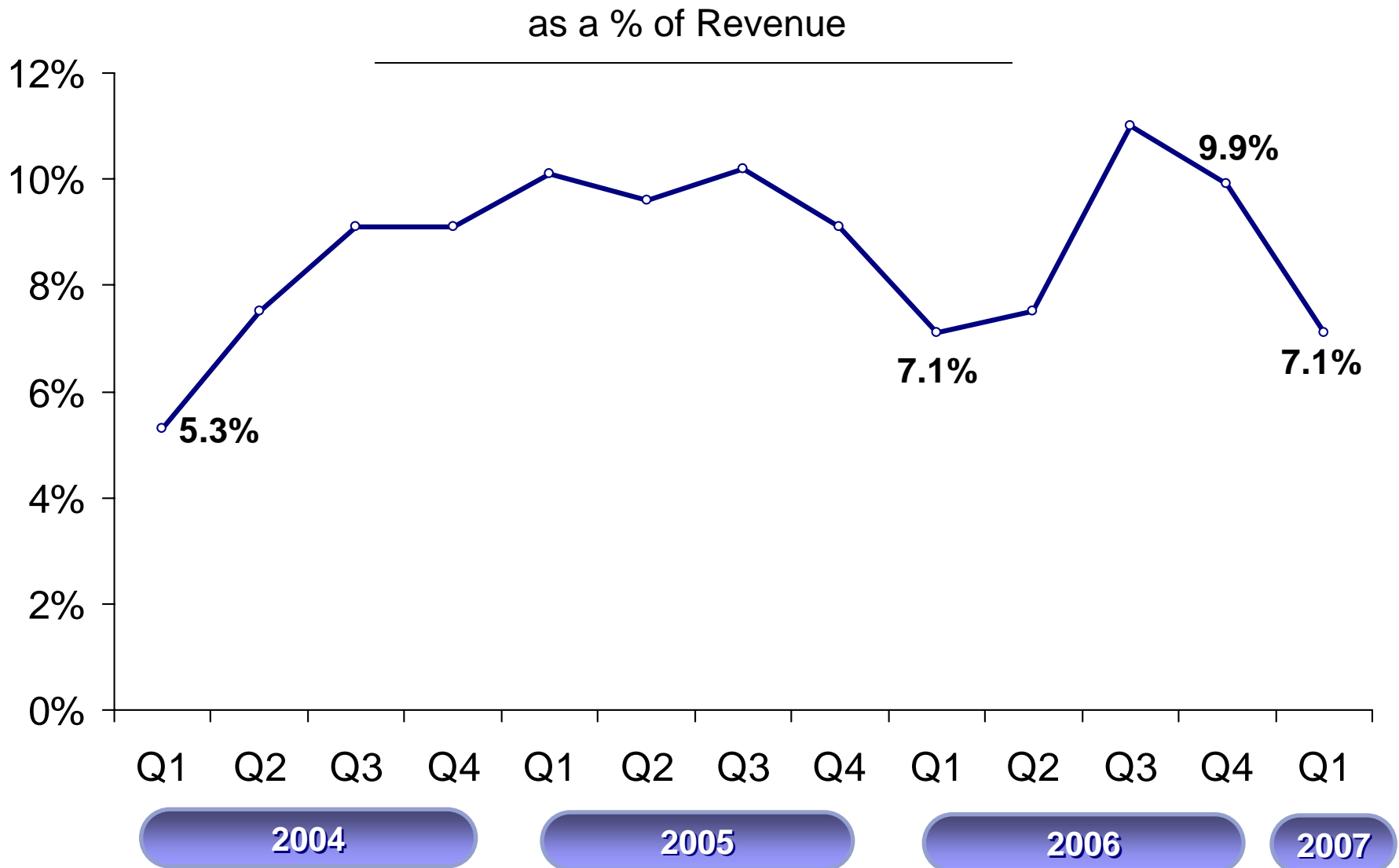
TTM COGS / Q1 2007 Average Inventory

Gross Margins vs. "Juice" (Core only)

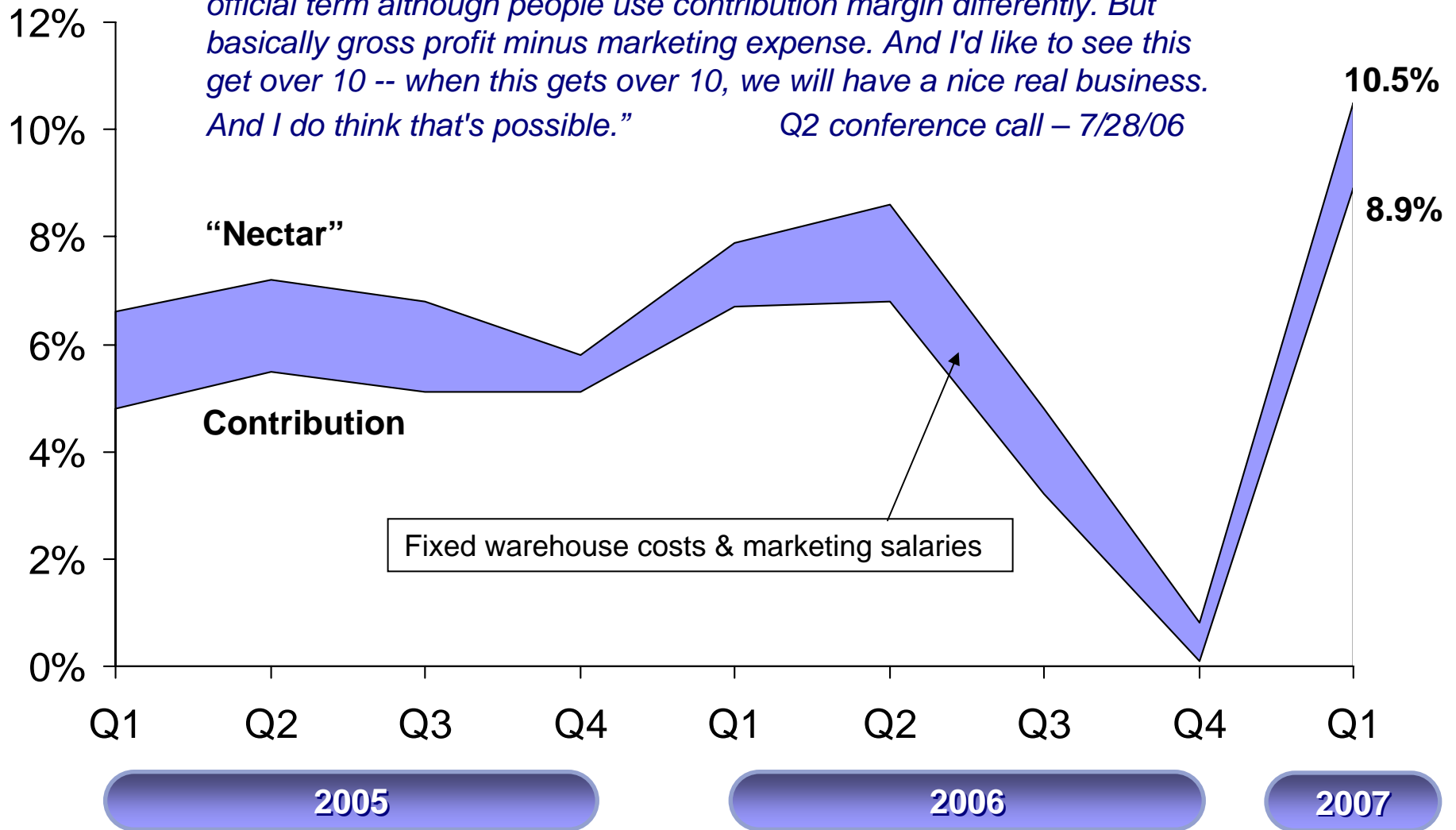


Gross Margins vs. "Juice"

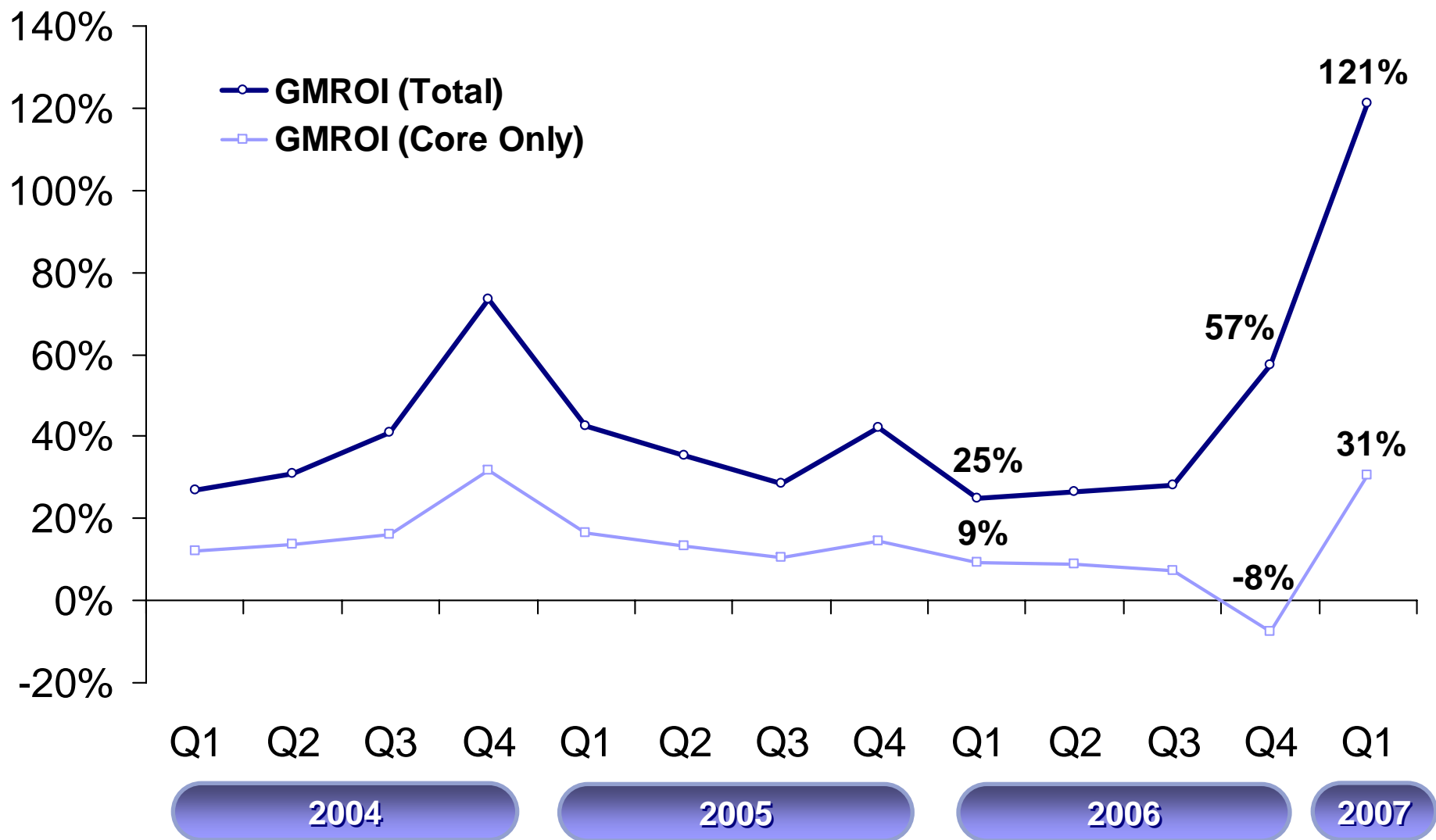




“Here is something we call nectar, I think contribution margin is the official term although people use contribution margin differently. But basically gross profit minus marketing expense. And I'd like to see this get over 10 -- when this gets over 10, we will have a nice real business. And I do think that's possible.” Q2 conference call – 7/28/06



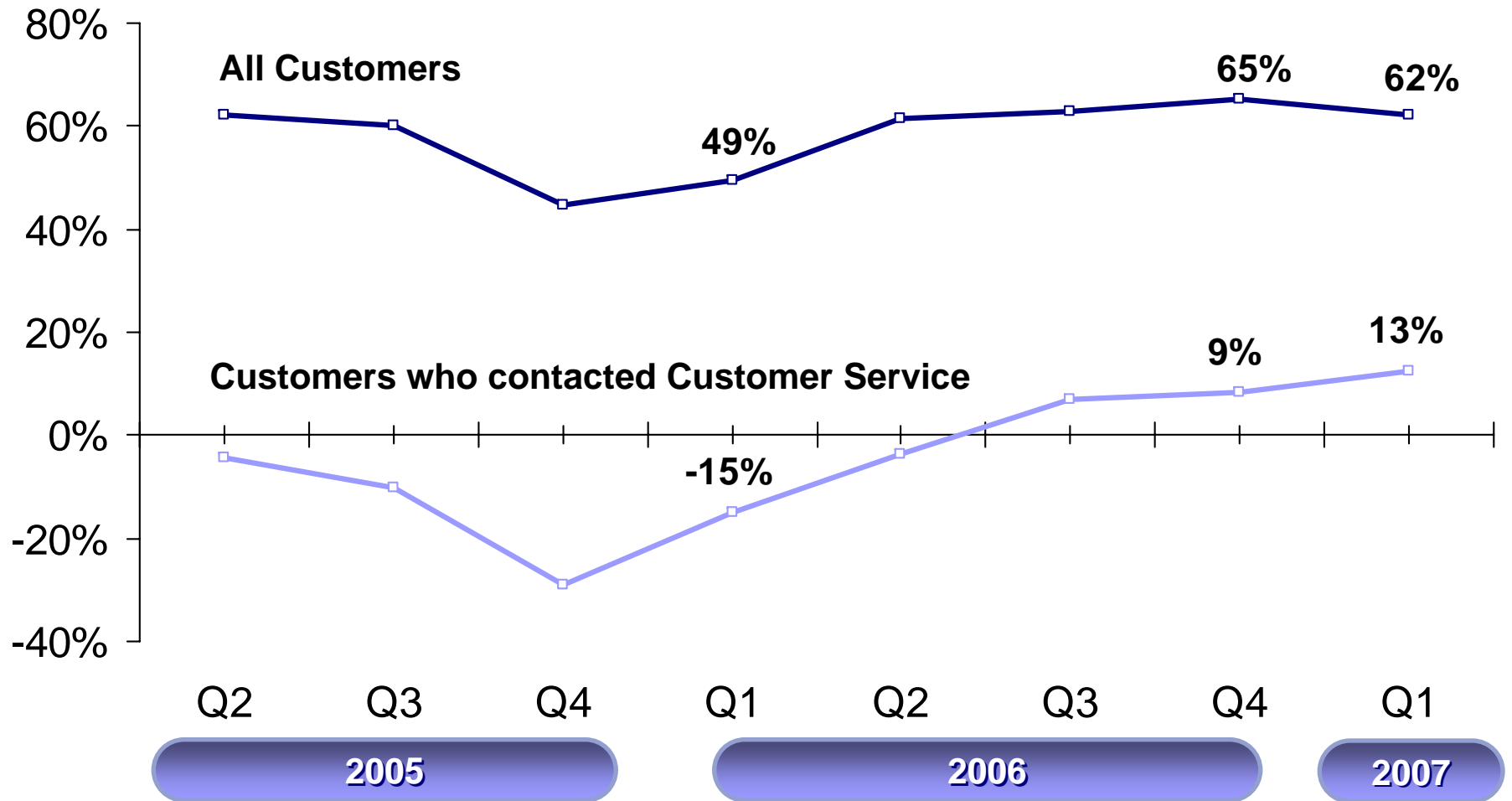
Gross Margin Return on Investment

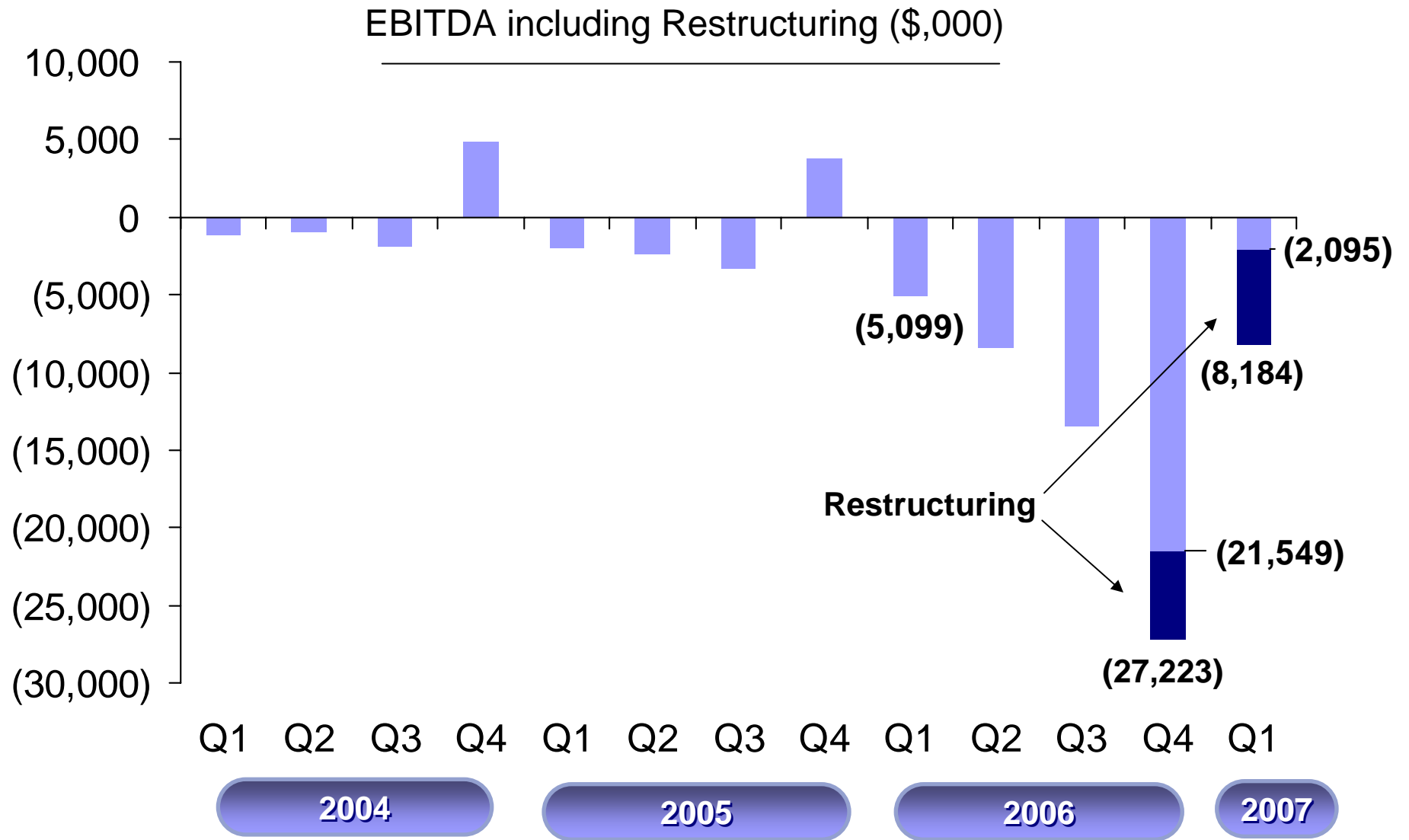


GMROI: $GM\% * (Revenue / Average Inventory)$

Customer Satisfaction

Net Promoter Score

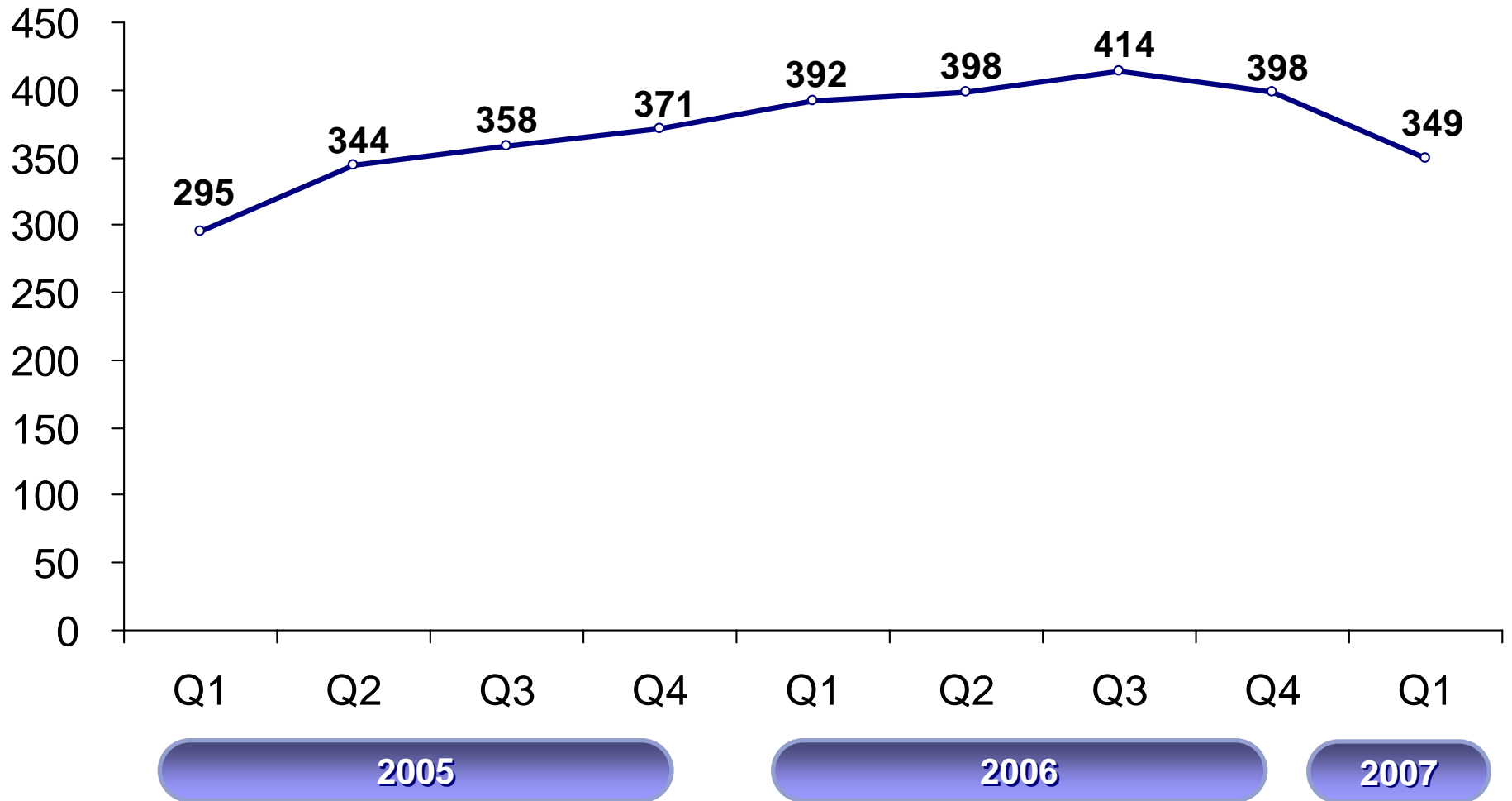




*Includes stock based compensation

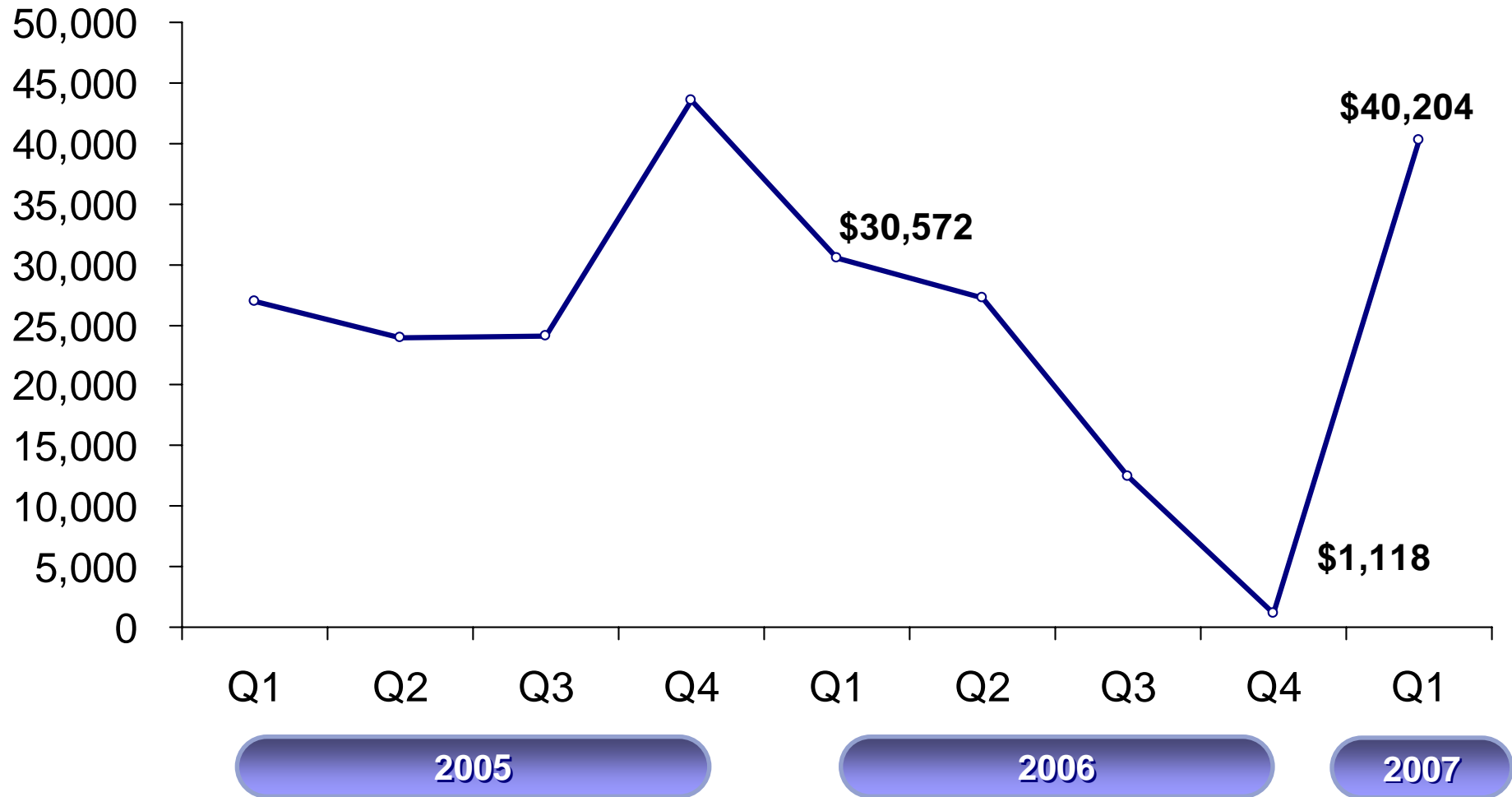
Restructuring: Corporate Headcount

Corporate Staff (i.e., non-seasonal employees)



Restructuring: Corporate Headcount

Contribution Dollars per Corporate Employee

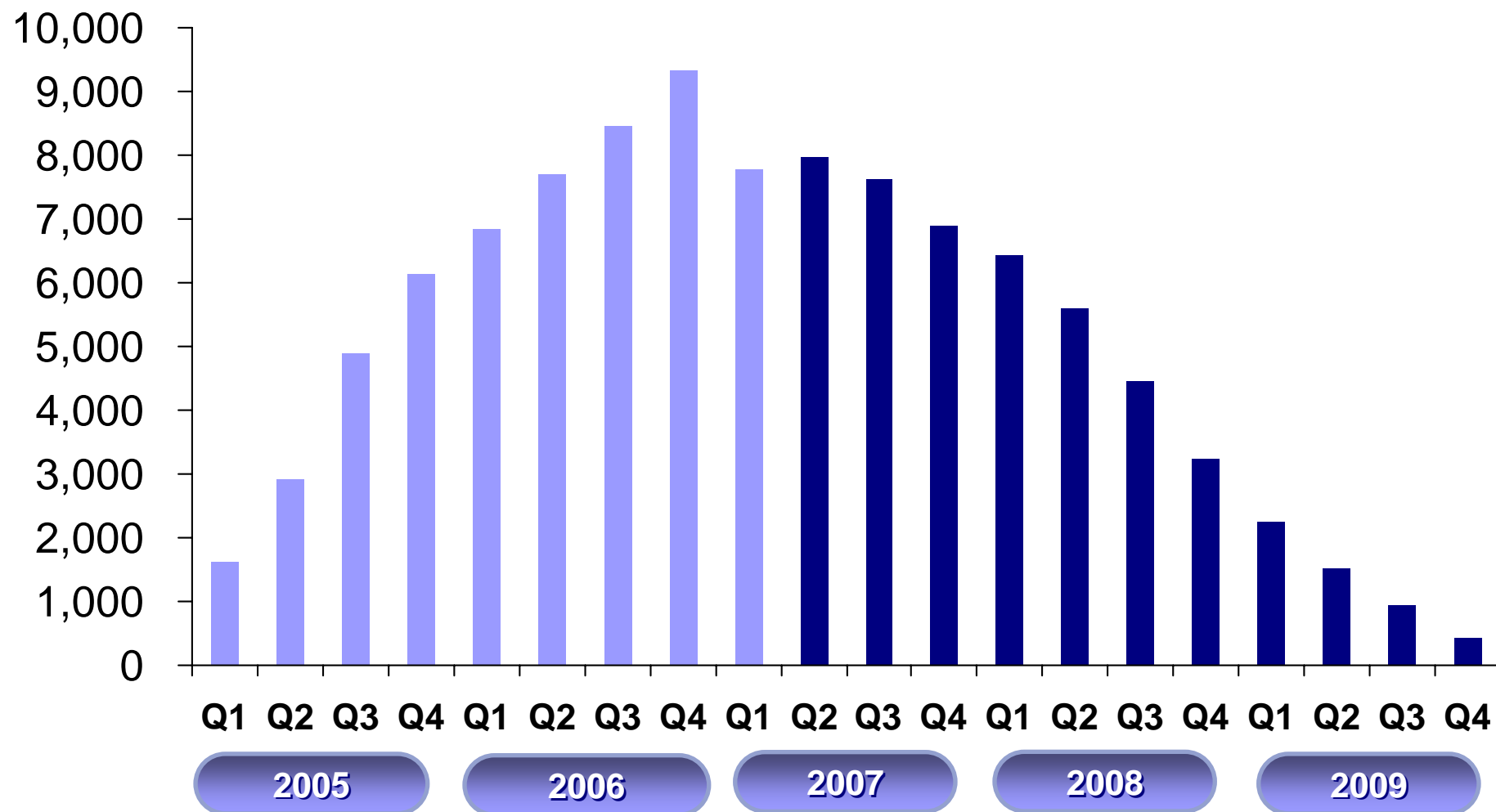


- \$6.1 million in Q1
 - \$4.7 million related to exiting 725,000 s.f. in Indiana by August 2007
 - Will reduce total warehouse capacity by over 50%
 - Will save approximately \$400k in Q2, \$600k in Q3 and \$1.0 million per quarter from Q4 forward in warehousing costs

- Corporate Headquarters

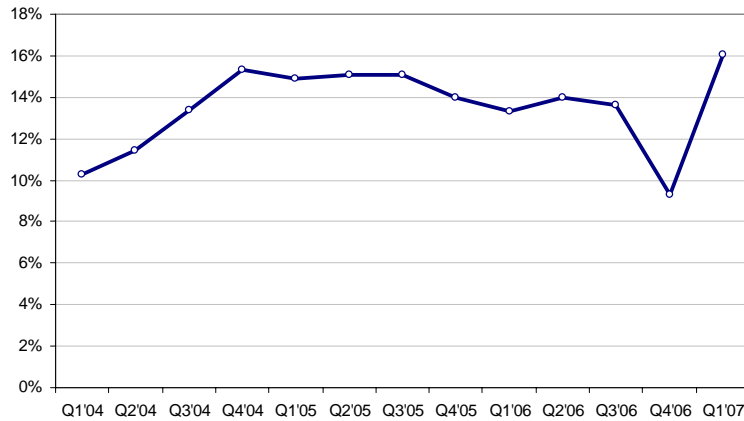
Depreciation & Amortization

Depreciation & Amortization of currently owned assets

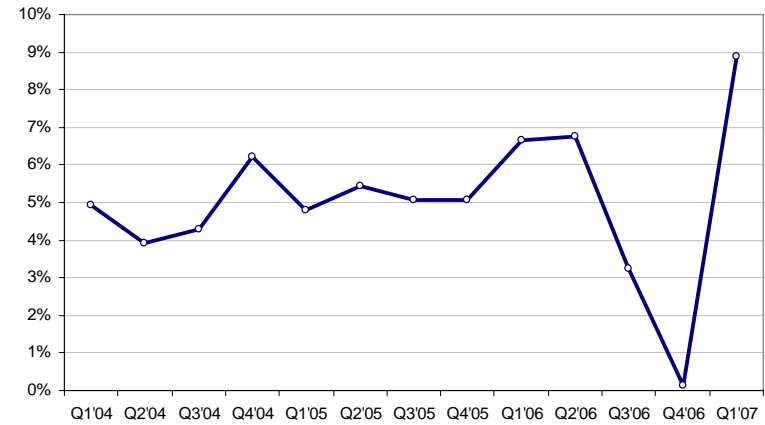


WARNING: WE DO INTEND TO HAVE MODEST CAPITAL EXPENDITURES IN FUTURE PERIODS

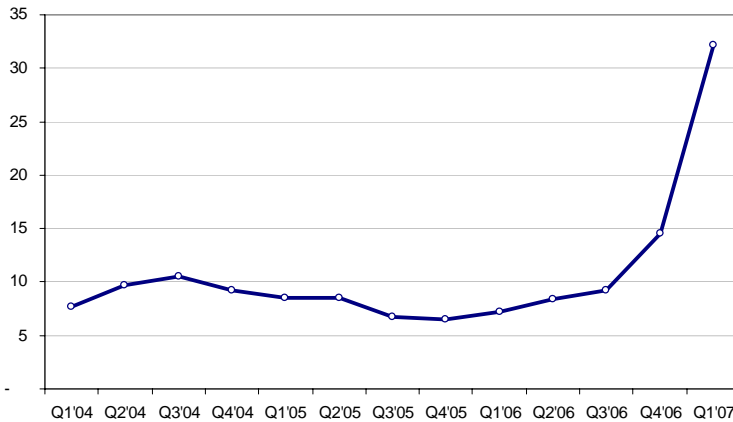
Gross Margin



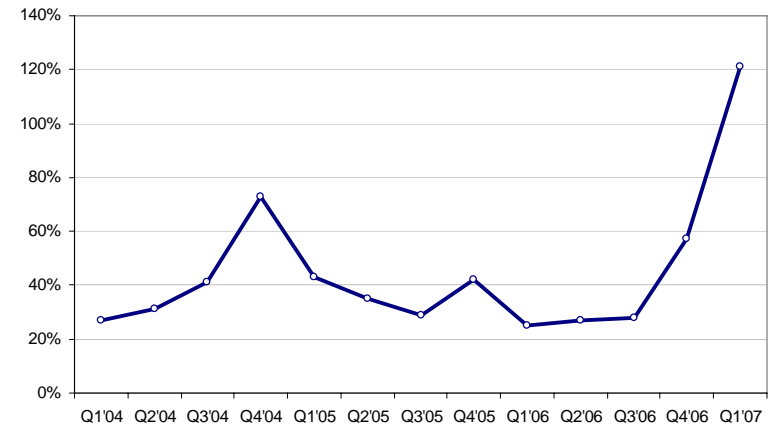
Contribution Margin



Inventory Turns



GMROI



QUESTIONS?