



# Overstock.com, Inc. Q2 2008 Financial Results Presentation

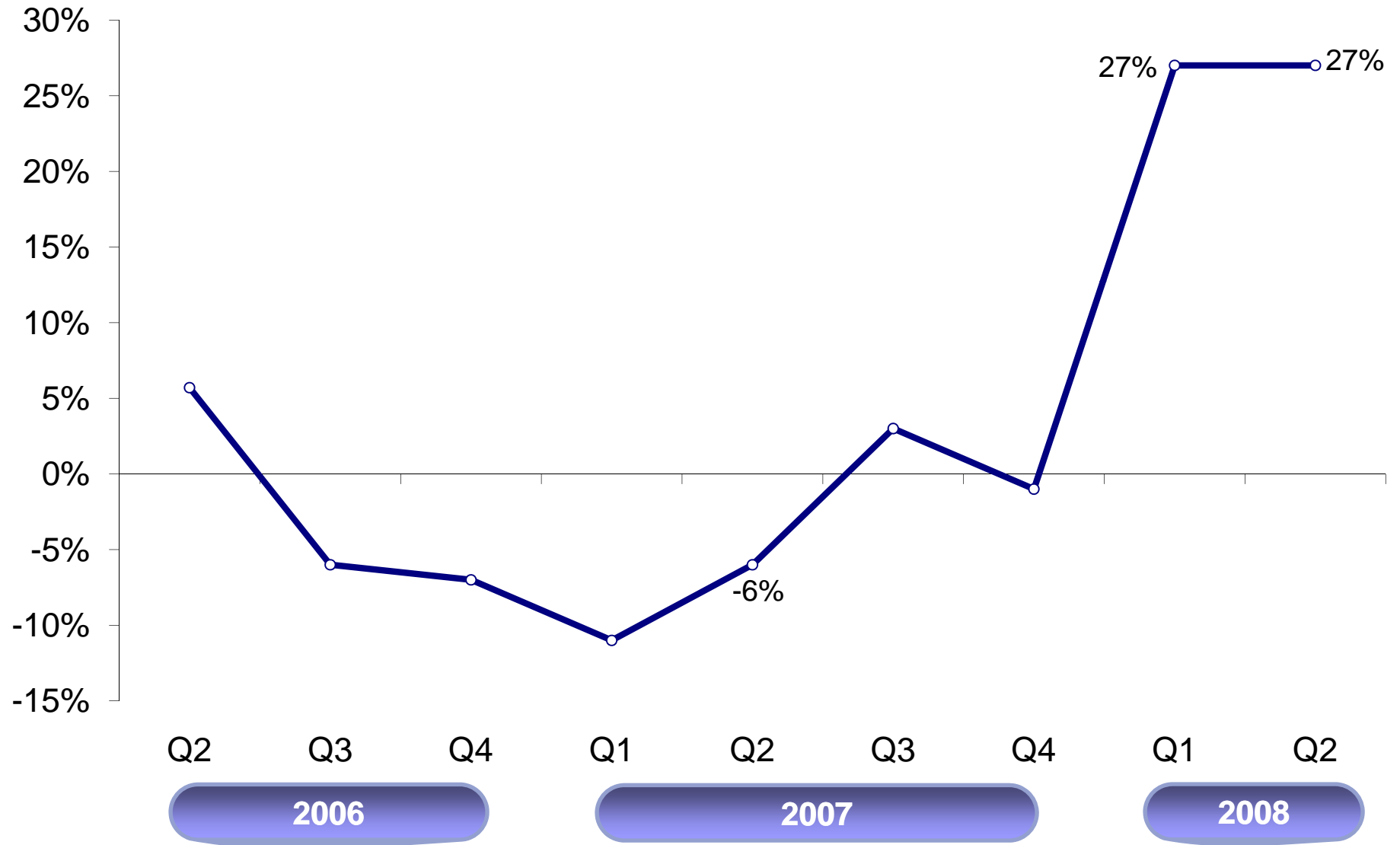
July 18, 2008



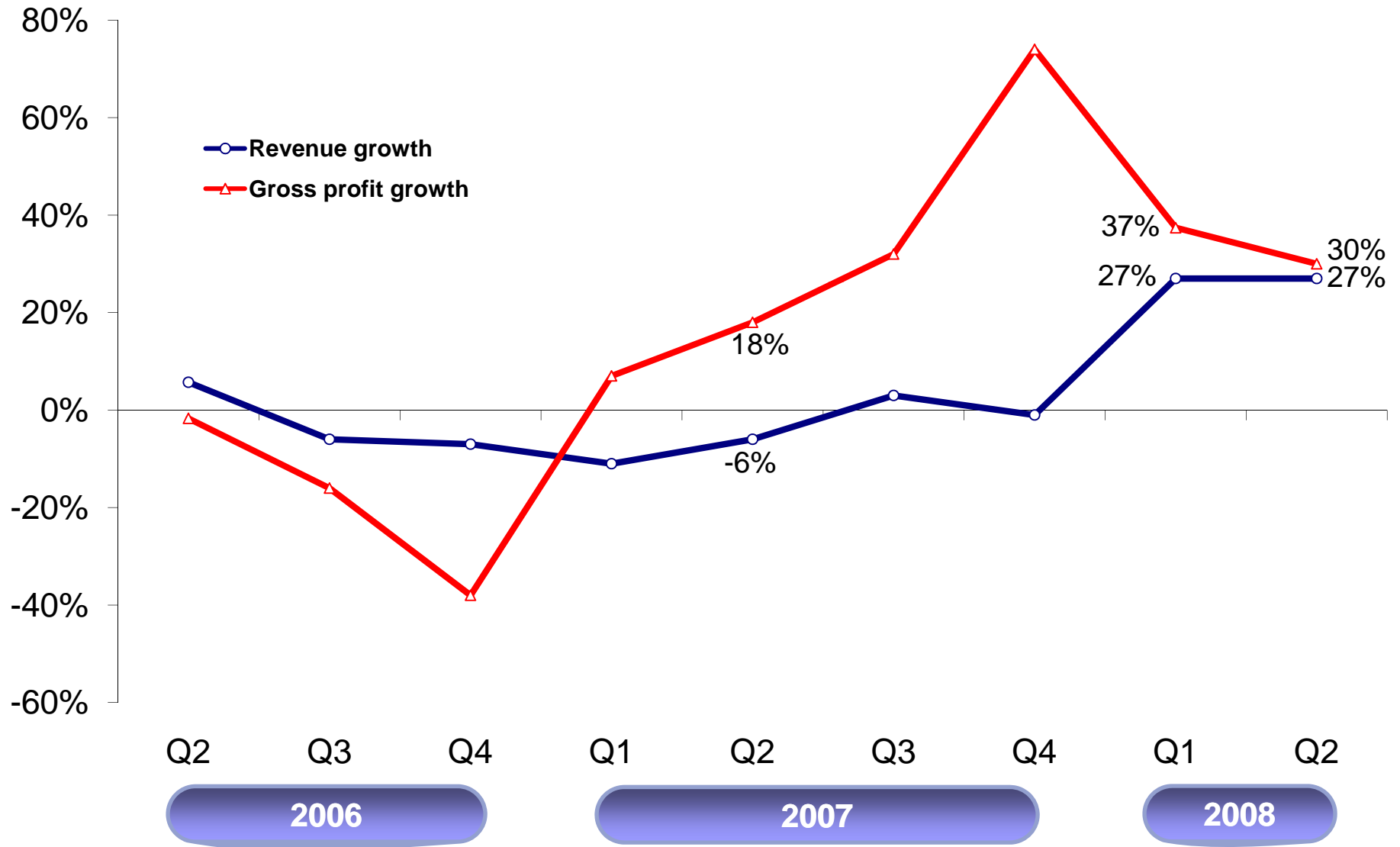
The following information contains, or may be deemed to contain, “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995). By their nature, forward-looking statements involve risk and uncertainties because they relate to events and depend on circumstances 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, 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 and 8-K. The Company undertakes no obligation to update or revise any forward-looking statements. This webcast may contain certain non-GAAP financial measures. The company’s website, located at <http://investors.overstock.com>, includes a presentation of the most directly comparable financial measures calculated and presented in accordance with GAAP. It also includes a reconciliation of the differences between the non-GAAP financial measures with the most comparable financial measures presented in accordance with GAAP.

- 27% revenue growth
- 18.1% gross margins (a personal best)
- 4<sup>th</sup> consecutive quarter of positive EBITDA
  - Q2: \$1.1 million
  - TTM: \$9.6 million
- 5<sup>th</sup> consecutive quarter of positive TTM operating cash flow
  - Q2: \$449,000
  - TTM: \$12.7 million

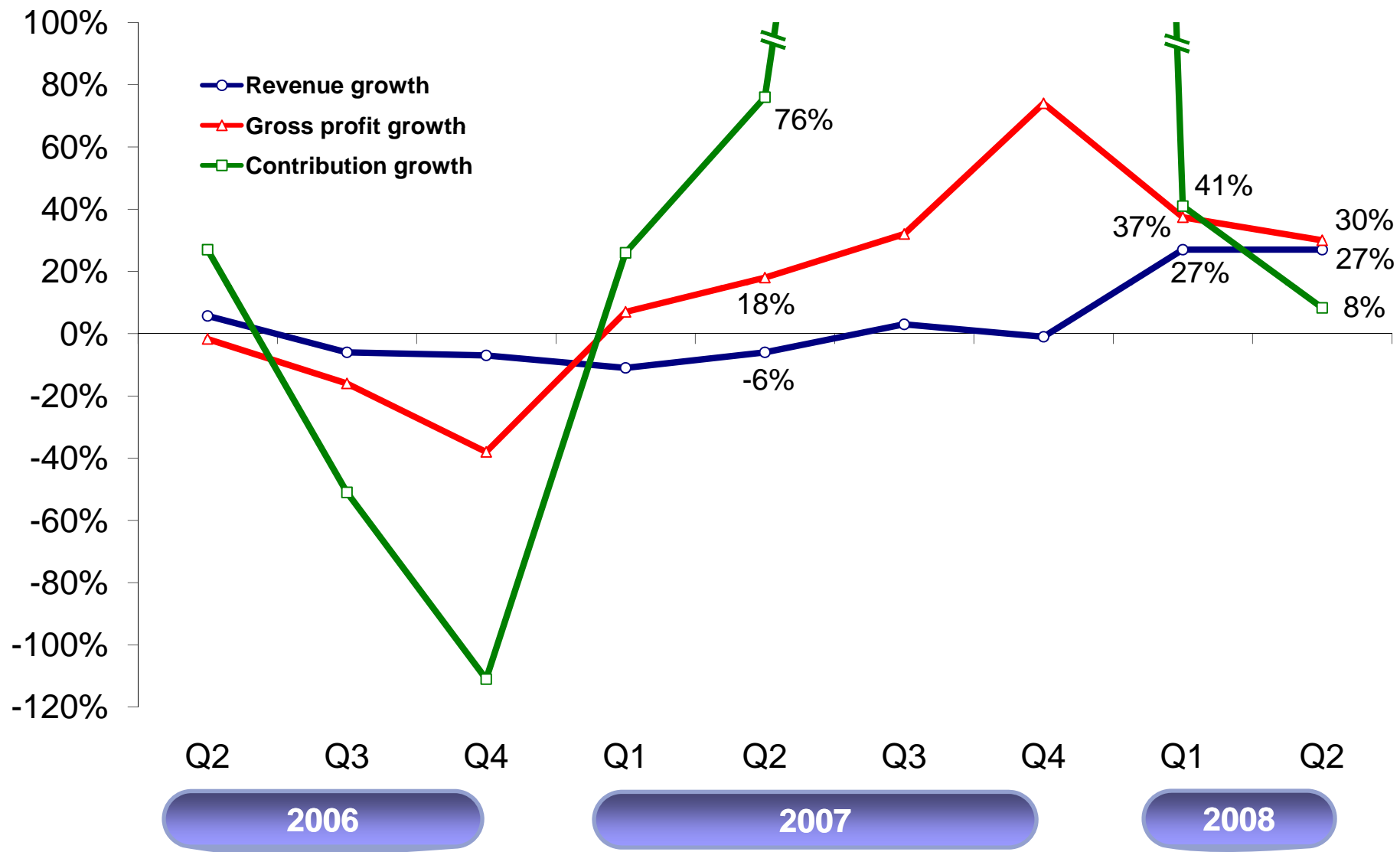
# Revenue Growth



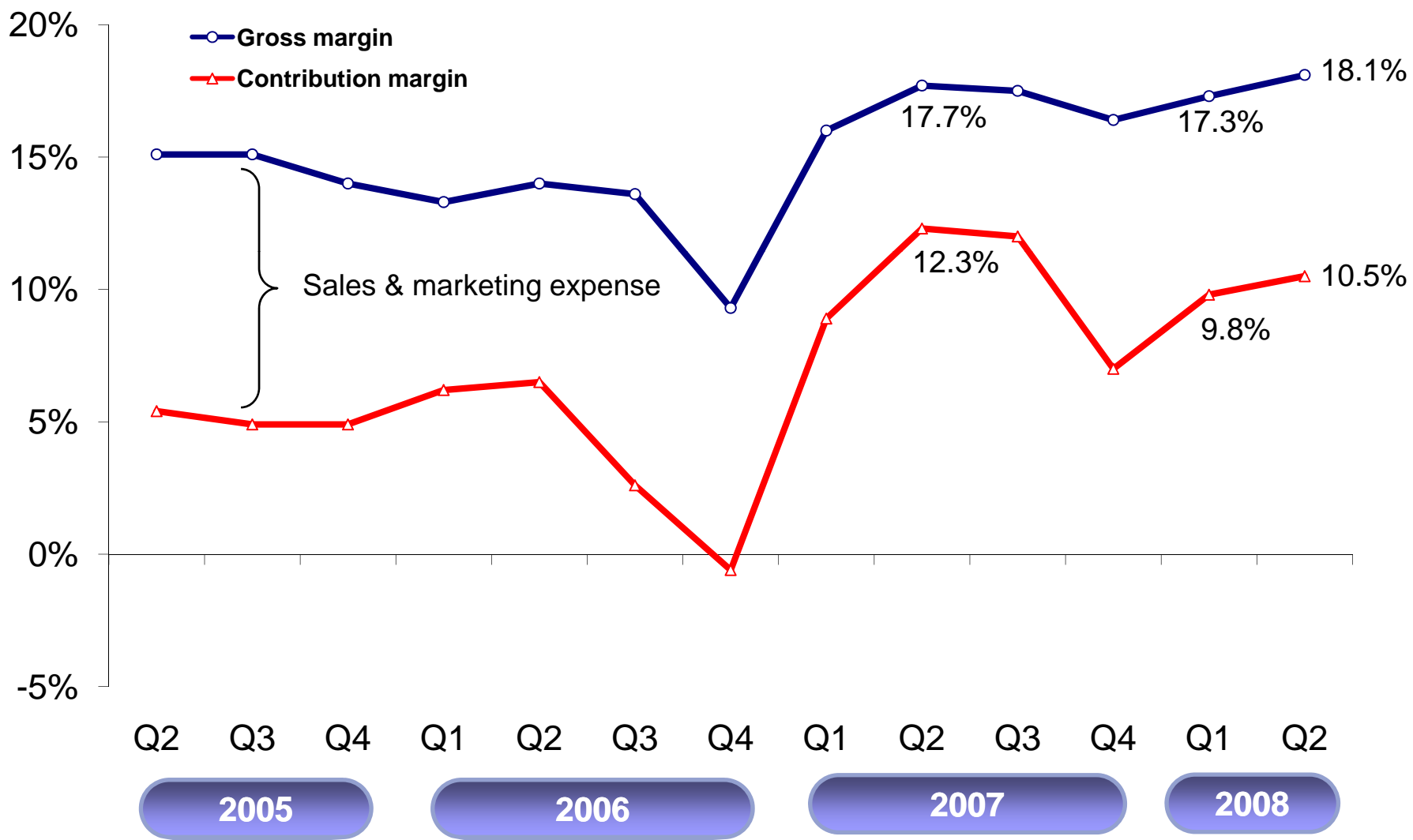
# Gross Profit Growth



# Contribution Growth

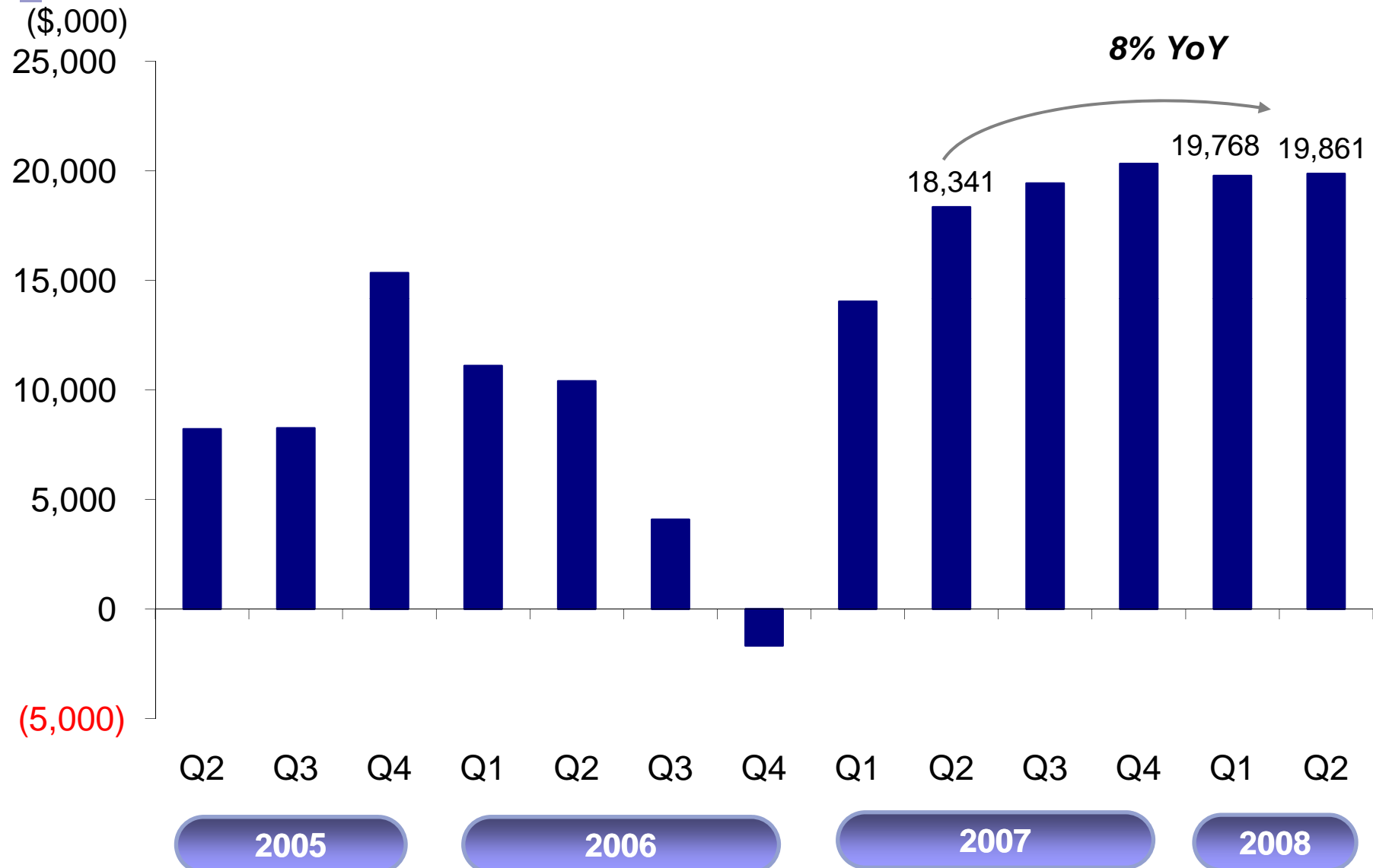


# Gross Margin and Contribution\*



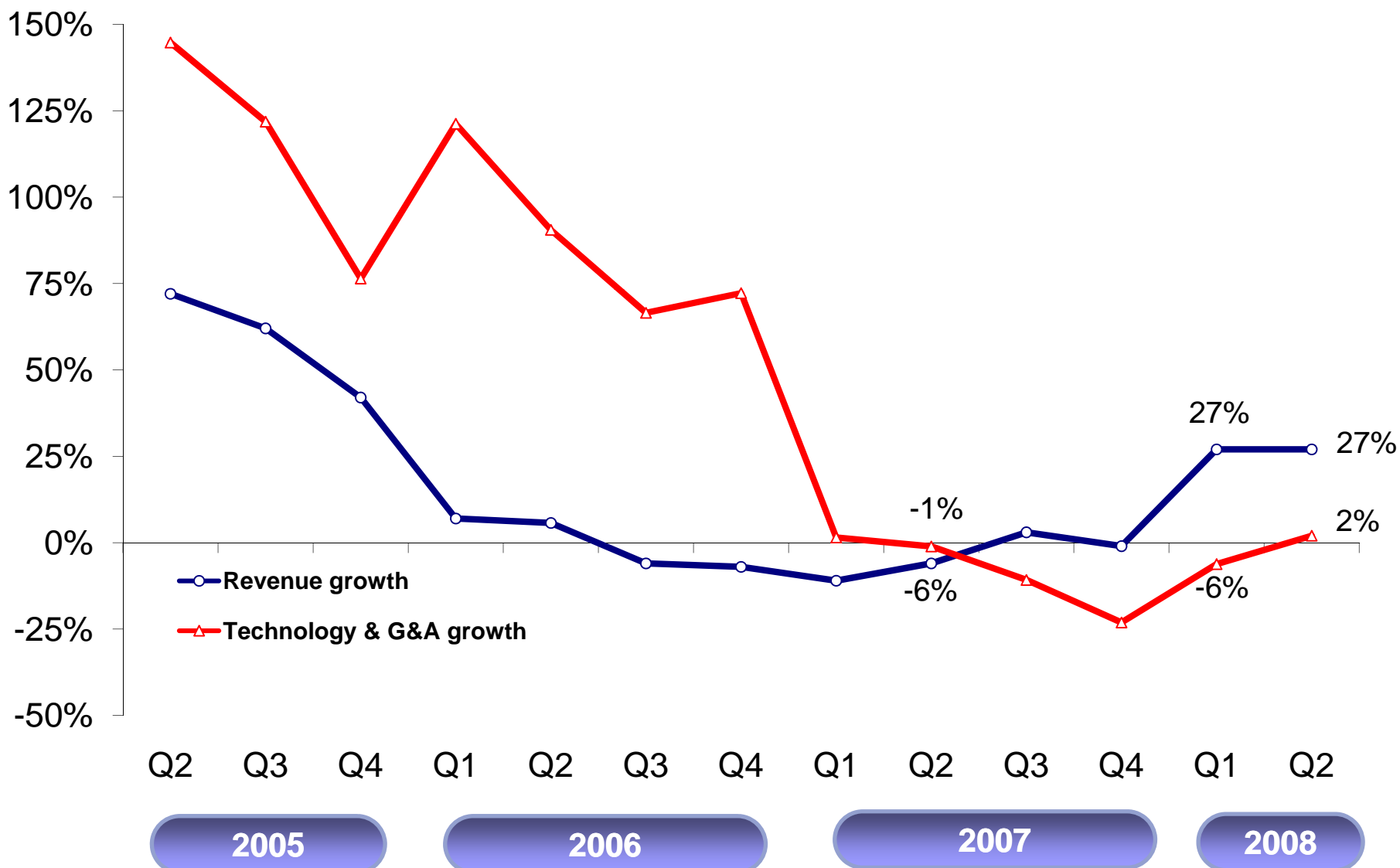
\*Contribution margin = Gross margin less Sales & Marketing percentage

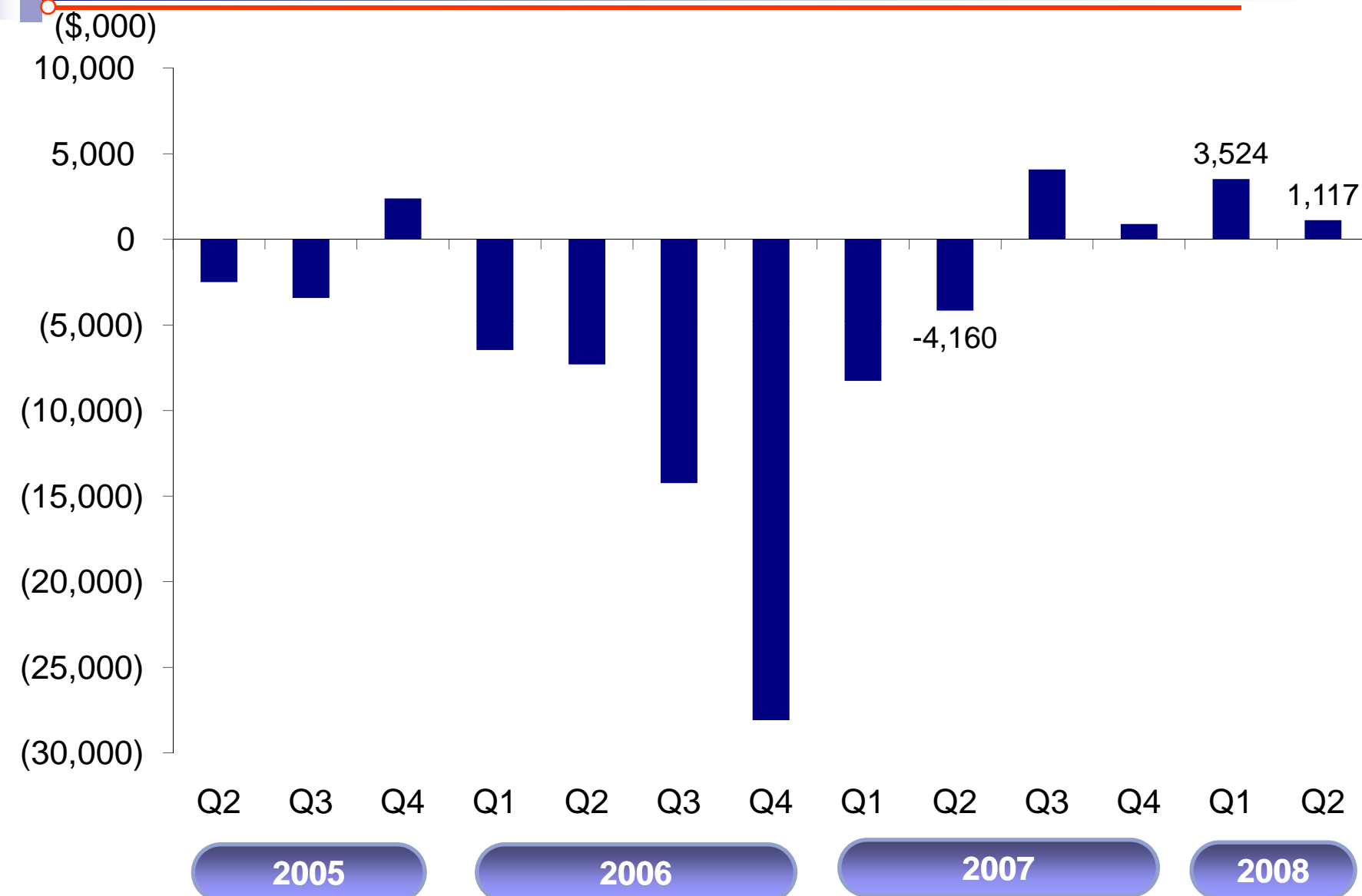
# Contribution Dollars\*



\*Contribution = Gross profit less Sales & Marketing expense

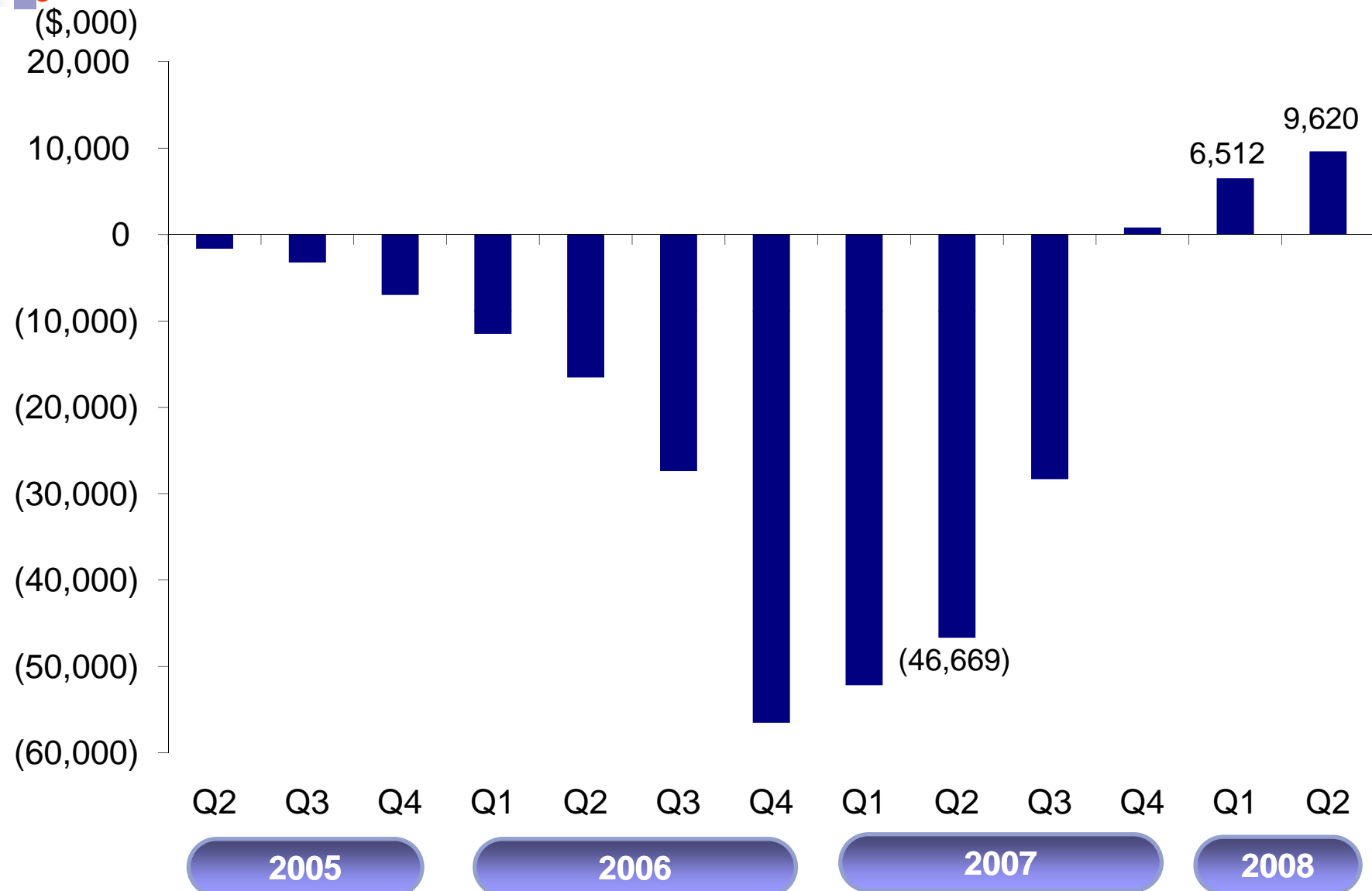
# Revenues Outpacing Fixed Expenses





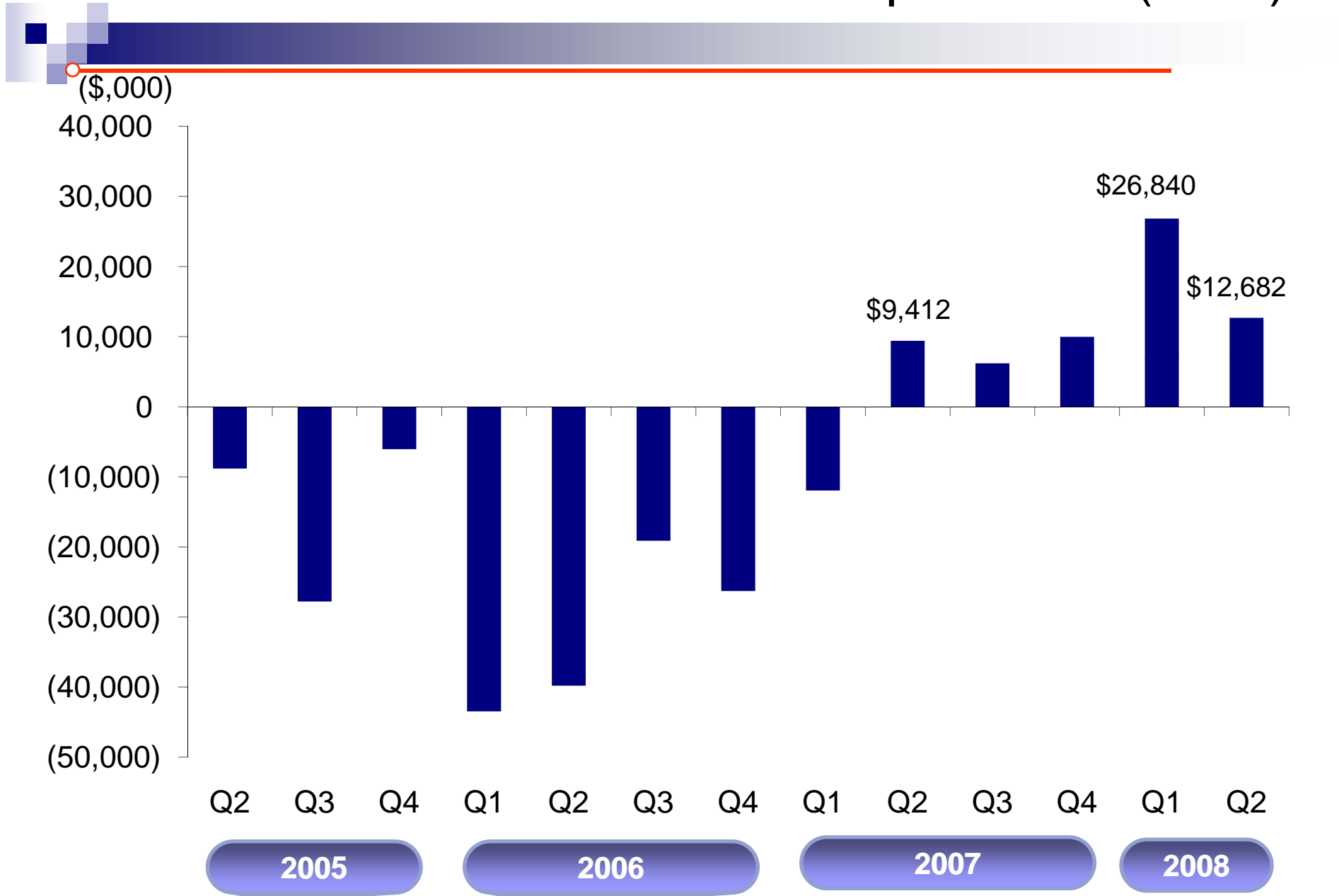
\*Excludes stock-based compensation

# EBITDA (TTM)\*

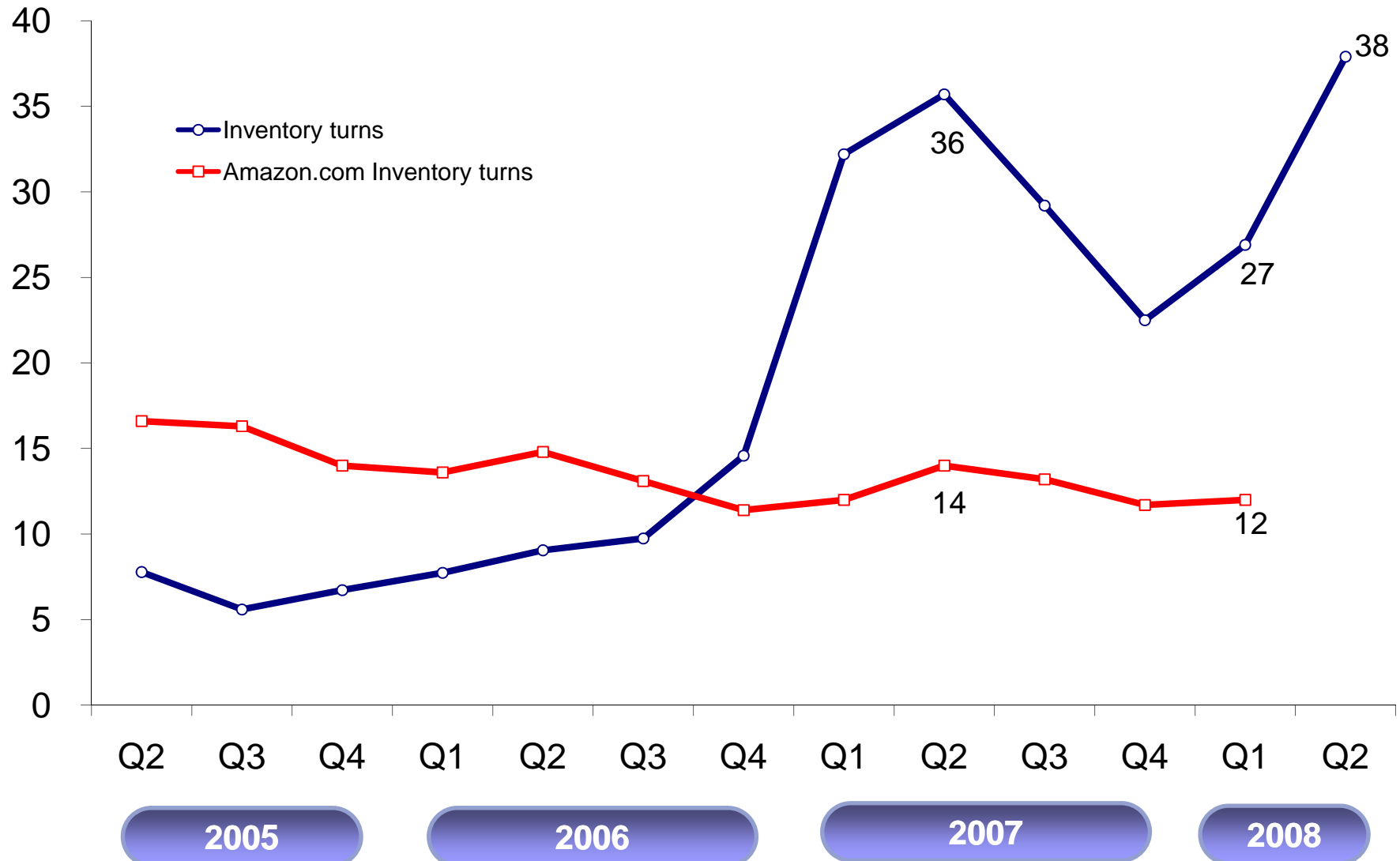


\*Excludes stock-based compensation

# Cash Flows From Operations (TTM)

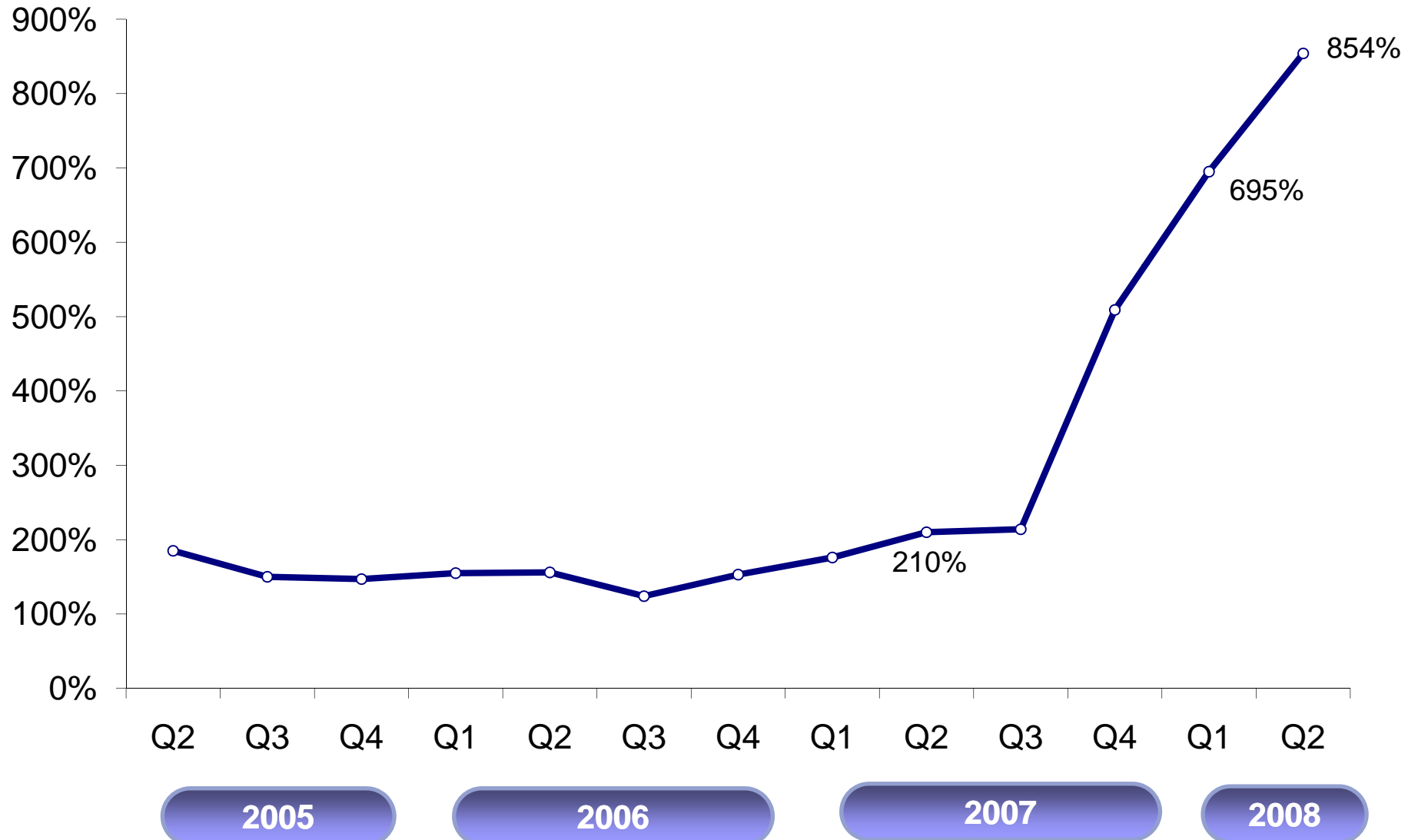


# GAAP Annualized Inventory Turns



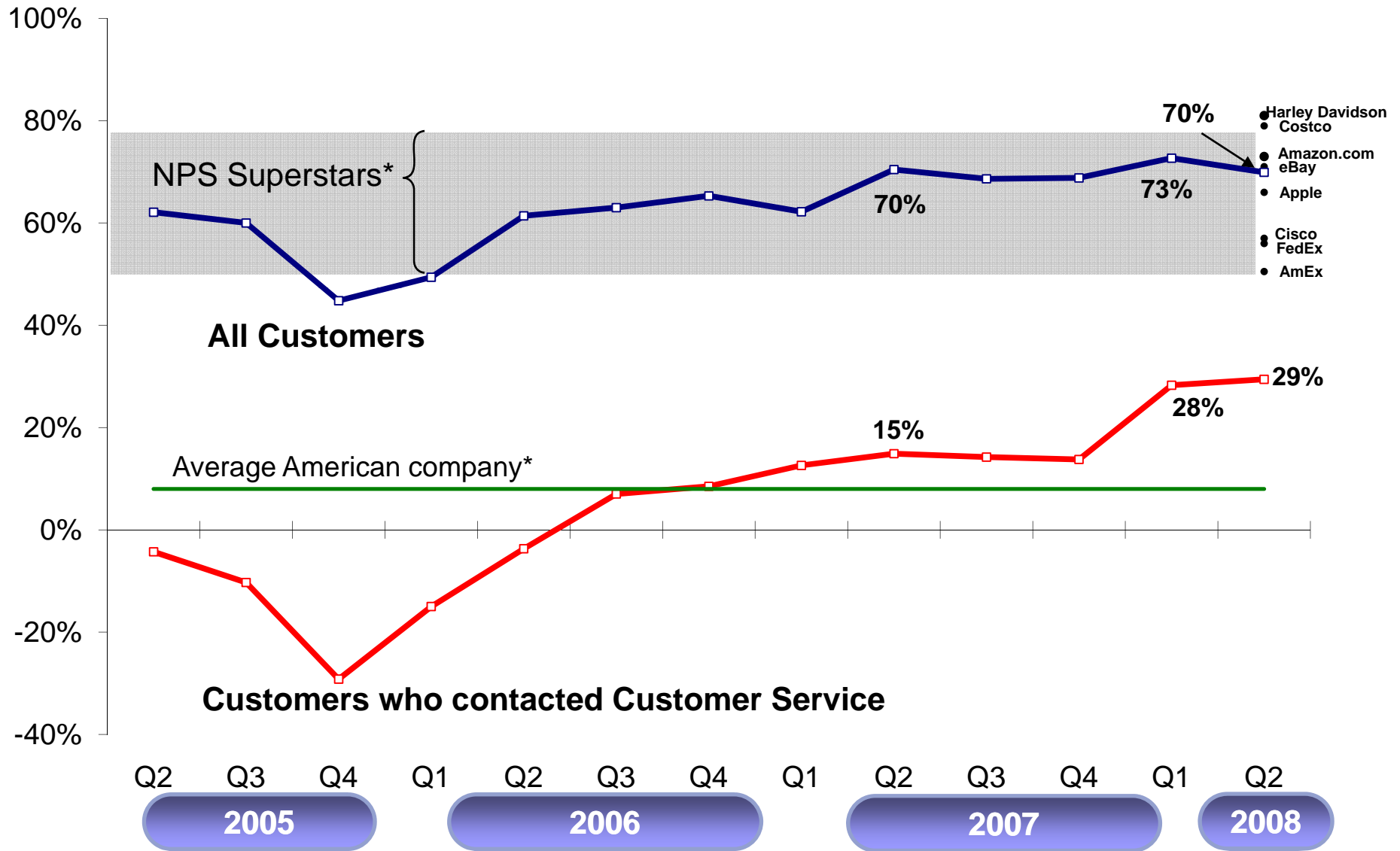
TTM COGS / Q2 2008 Average Inventory

# GMROI (annualized)\*

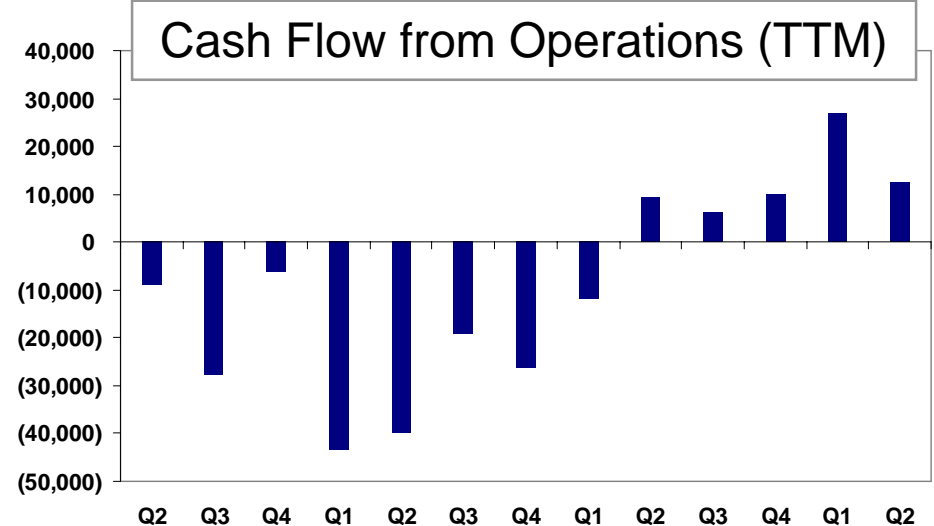
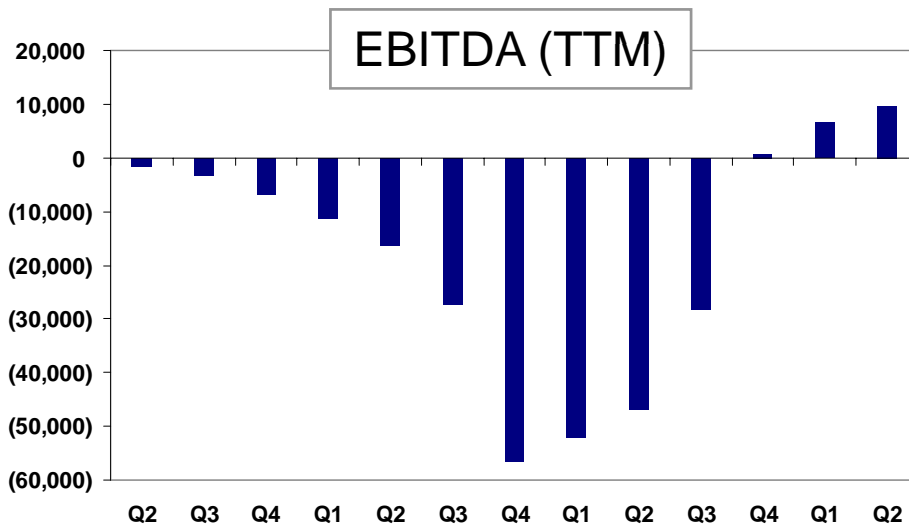
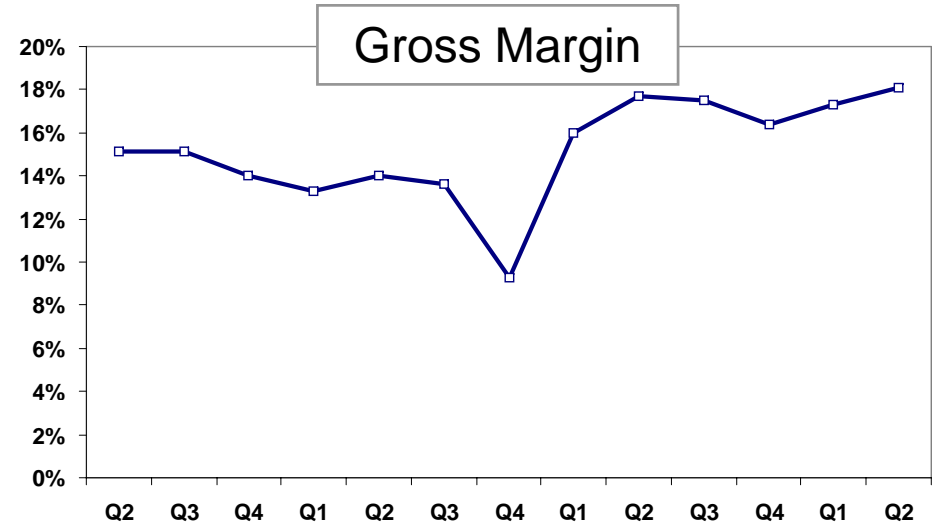
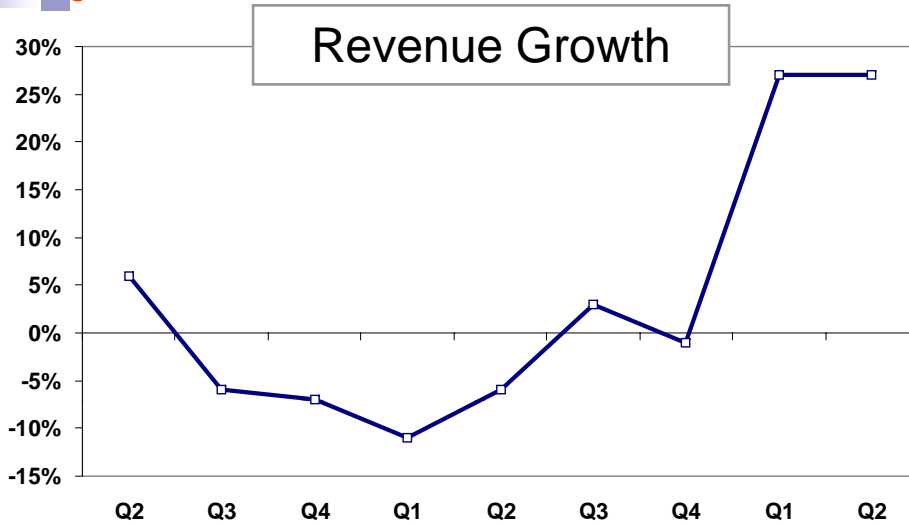


\*GMROI (annualized) = 12-month GM% \* (TTM Revenue / 12-month Average Inventory)

# Net Promoter Score



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



**QUESTIONS?**