

Overstock.com, Inc.

Q3 2014

Financial Results

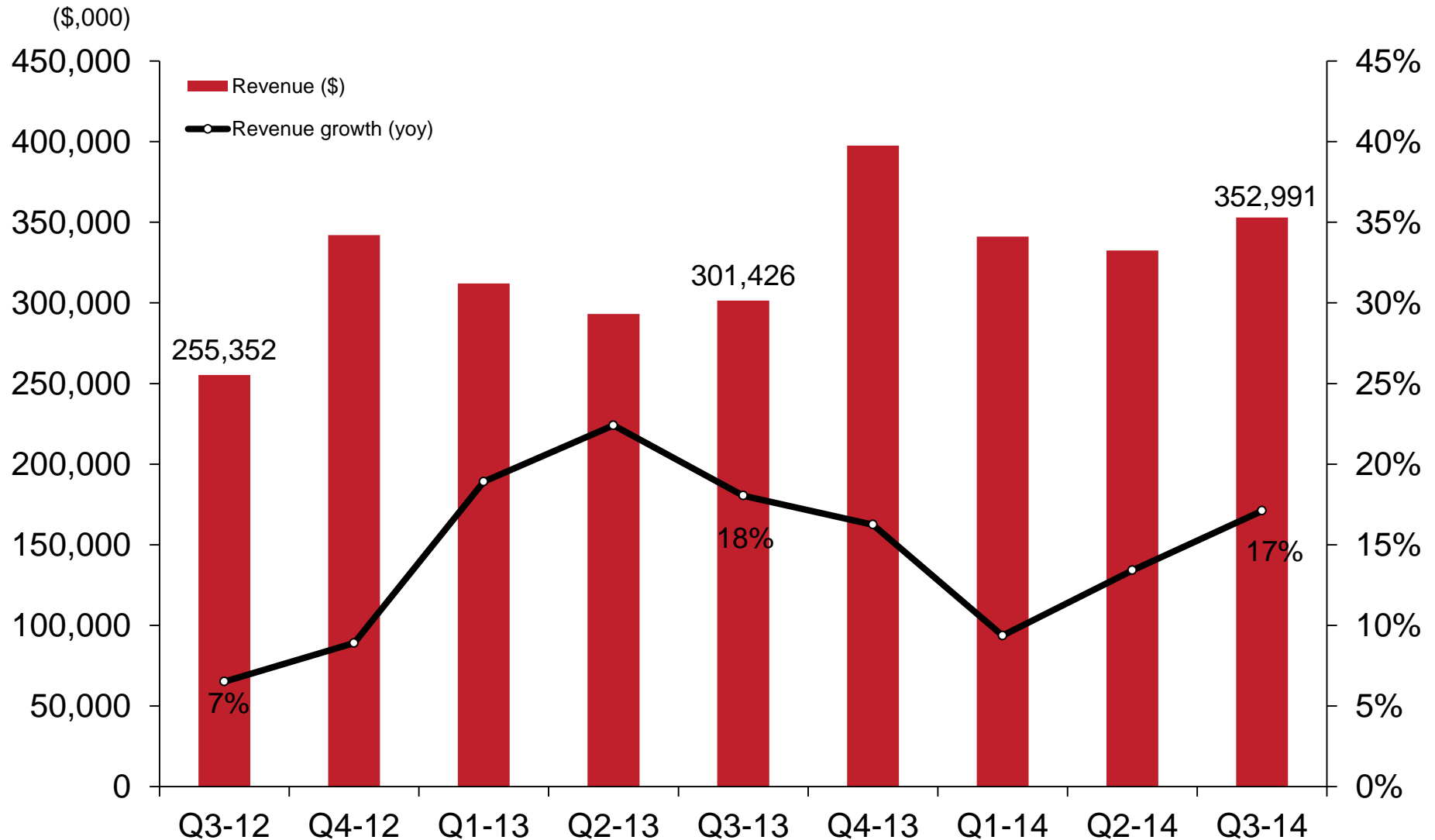
October 23, 2014

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 mix of products we sell, the results of legal proceedings and claims and the amounts we spend relating to them, the extent to which we owe income taxes, competition, fluctuations in operating results, any difficulties we may encounter as a result of accepting Bitcoin as payment, any inability to raise capital if needed on acceptable terms, our efforts to expand both domestically and internationally, risks of inventory management and seasonality. Other risks and uncertainties include, among others, risks related to new products and services we may offer, and difficulties with our infrastructure, our expectations regarding the benefits and risks of the credit facility we recently entered into for the purpose of, among other things, financing our construction of an office campus to serve as our corporate headquarters, our fulfillment partners or our payment processors, including cyber-attacks or data breaches affecting us or any of them. More information about factors that could potentially affect our financial results is included in our Annual Report on Form 10-K for the year ended December 31, 2013, which was filed with the Securities and Exchange Commission on February 27, 2014, our Form 10-Q for the quarter ended March 31, 2014 which was filed with the Securities and Exchange Commission on April 29, 2014, and our Form 10-Q for the quarter ended June 30, 2014 which was filed with the Securities and Exchange Commission on July 29, 2014. These and our other subsequent filings with the Securities and Exchange Commission identify important factors that could cause our actual results to differ materially from those contained in our projections, estimates and other forward-looking statements.

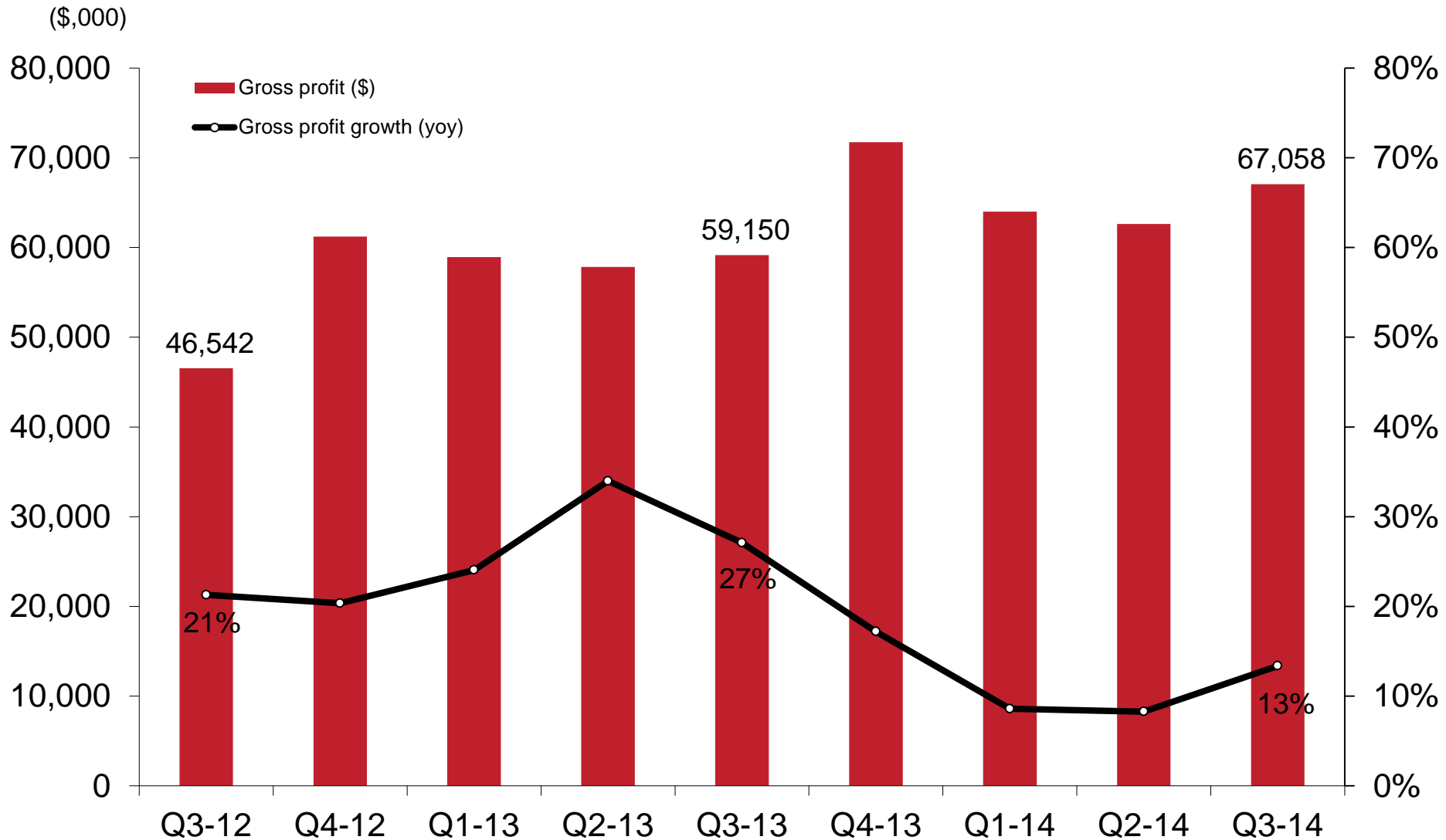
- Revenue - \$353.0 million (17% increase vs. Q3 2013)
- Gross profit dollars - \$67.1 million (13% increase vs. Q3 2013)
- Gross margin - 19.0% (vs. 19.6% in Q3 2013)
- Contribution dollars* - \$41.6 million (13% increase vs. Q3 2013)
- Contribution margin* - 11.8% (vs. 12.2% in Q3 2013)
- Tech and G&A expense - \$39.3 million (18% increase vs. Q3 2013)
- Pre-tax income - \$2.0 million (vs. \$3.6 million in Q3 2013)
- Net income - \$1.6 million (vs. \$3.5 million in Q3 2013)

* non-GAAP

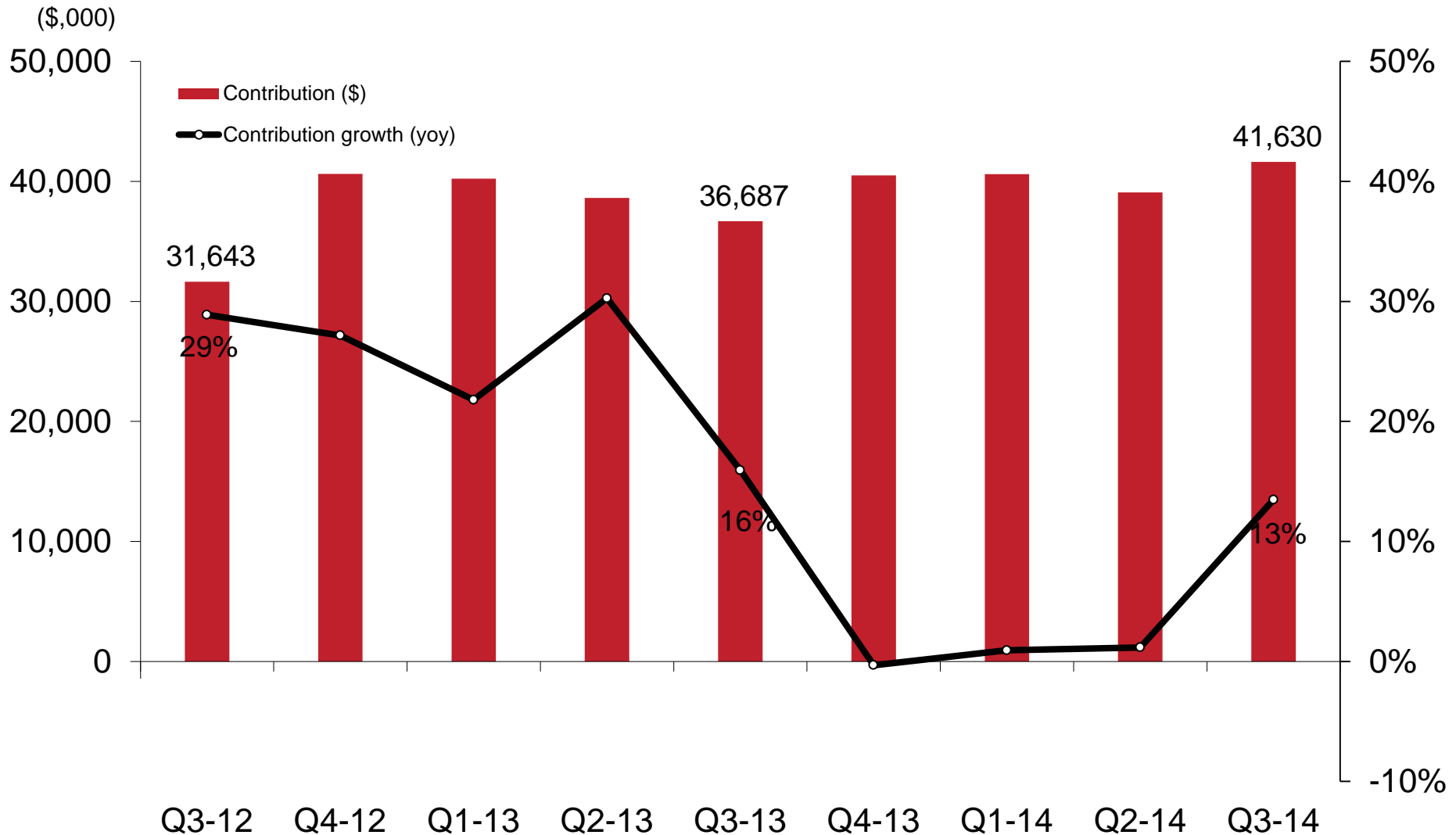
Quarterly Revenue Growth



Quarterly Gross Profit Growth

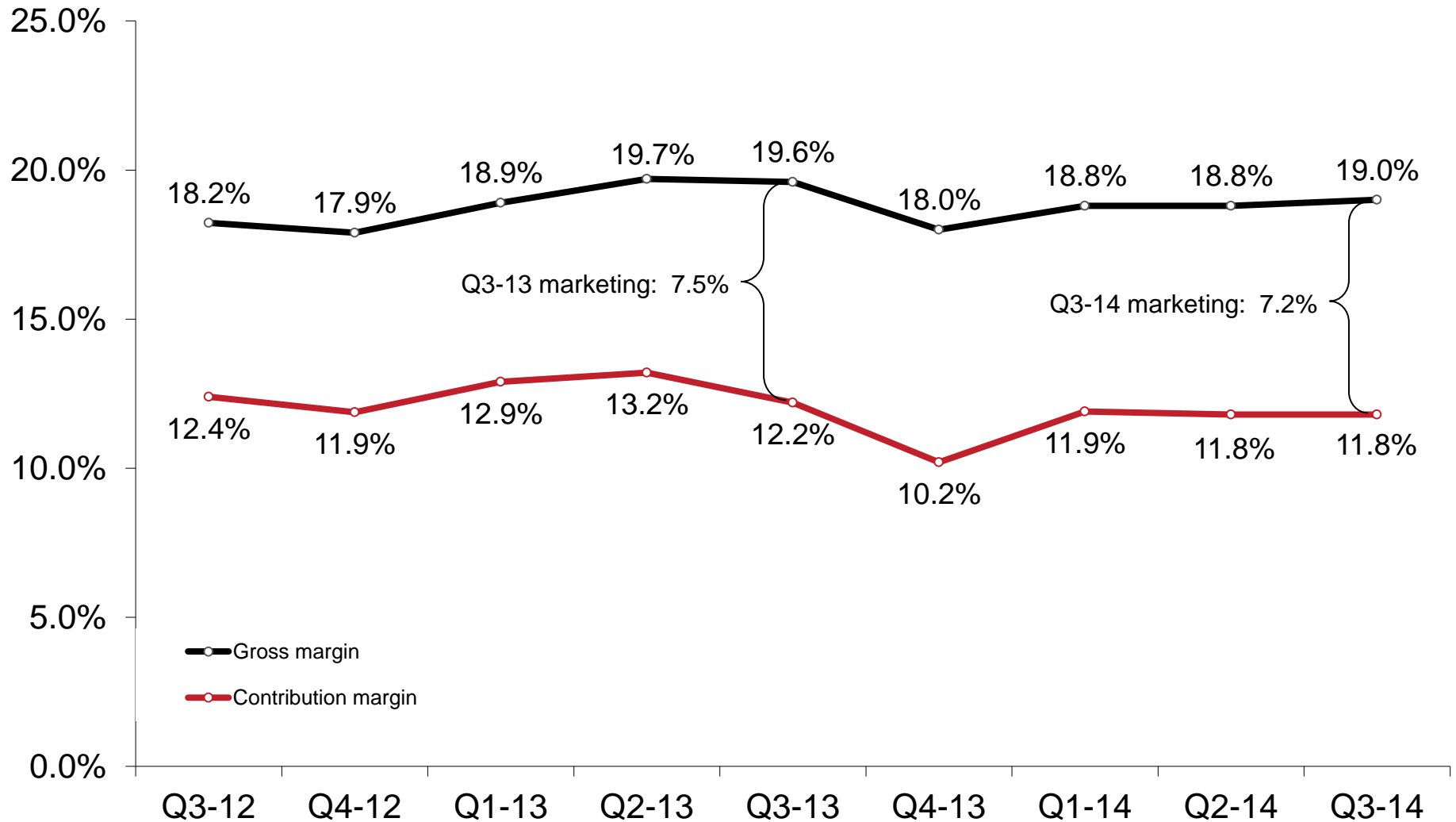


Quarterly Contribution & Growth*



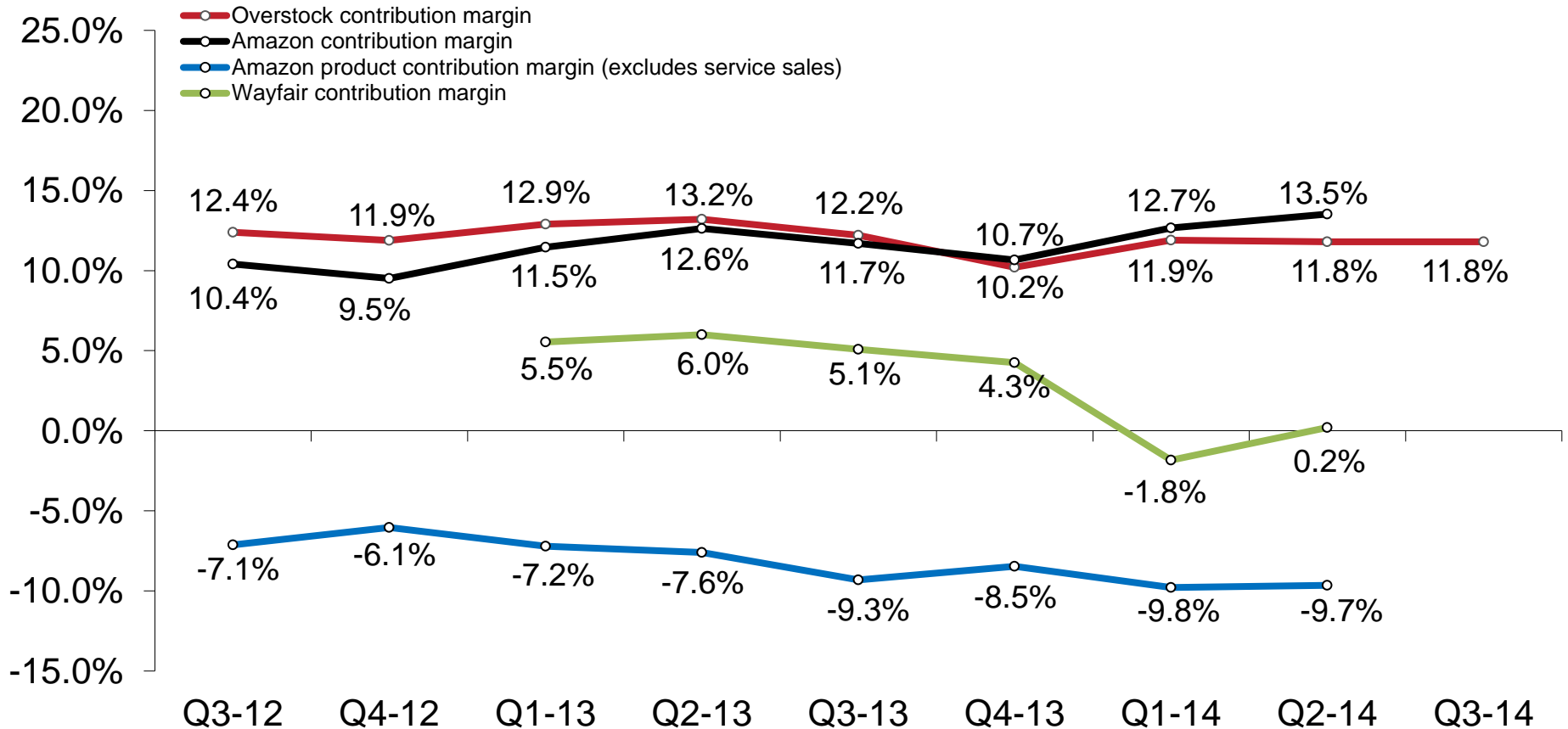
*Contribution dollars = Gross profit less Sales & Marketing expense

Quarterly Gross Margin and Contribution Margin*



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

Contribution Margin vs. Amazon.com and Wayfair.com*



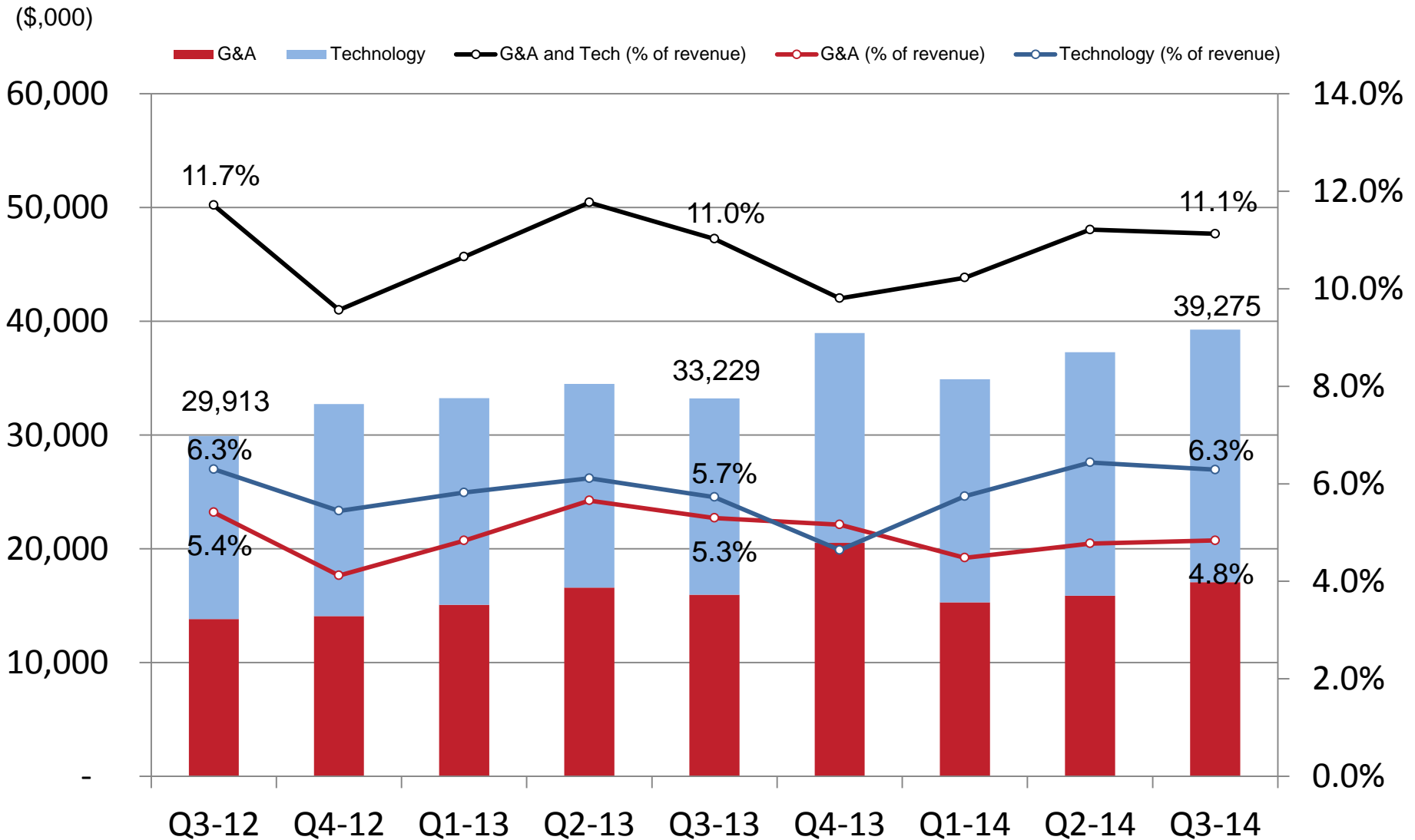
*Overstock.com Contribution Margin = Gross profit less Sales & Marketing divided by Total net revenue.

*Amazon.com Contribution Margin = Total net sales less Cost of Sales, Fulfillment, and Marketing divided by Total net sales.

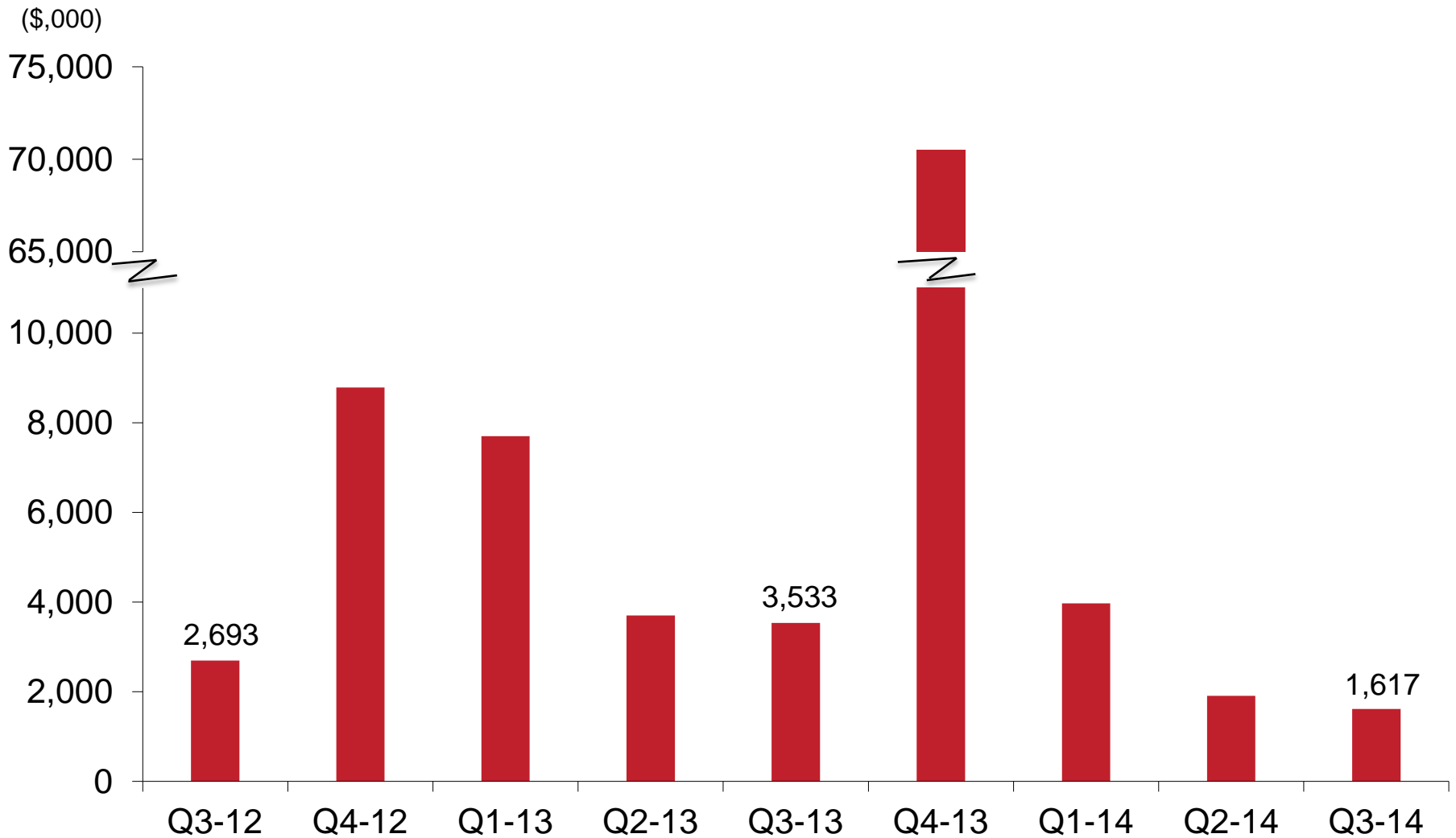
*Amazon.com Product Contribution Margin = Total product sales less Cost of Sales, Fulfillment, and Marketing divided by Total product sales.

*Wayfair.com Contribution Margin = Gross profit less Sales & Marketing divided by Total net revenue.

Technology and G&A Expenses \$s and % of Revenue

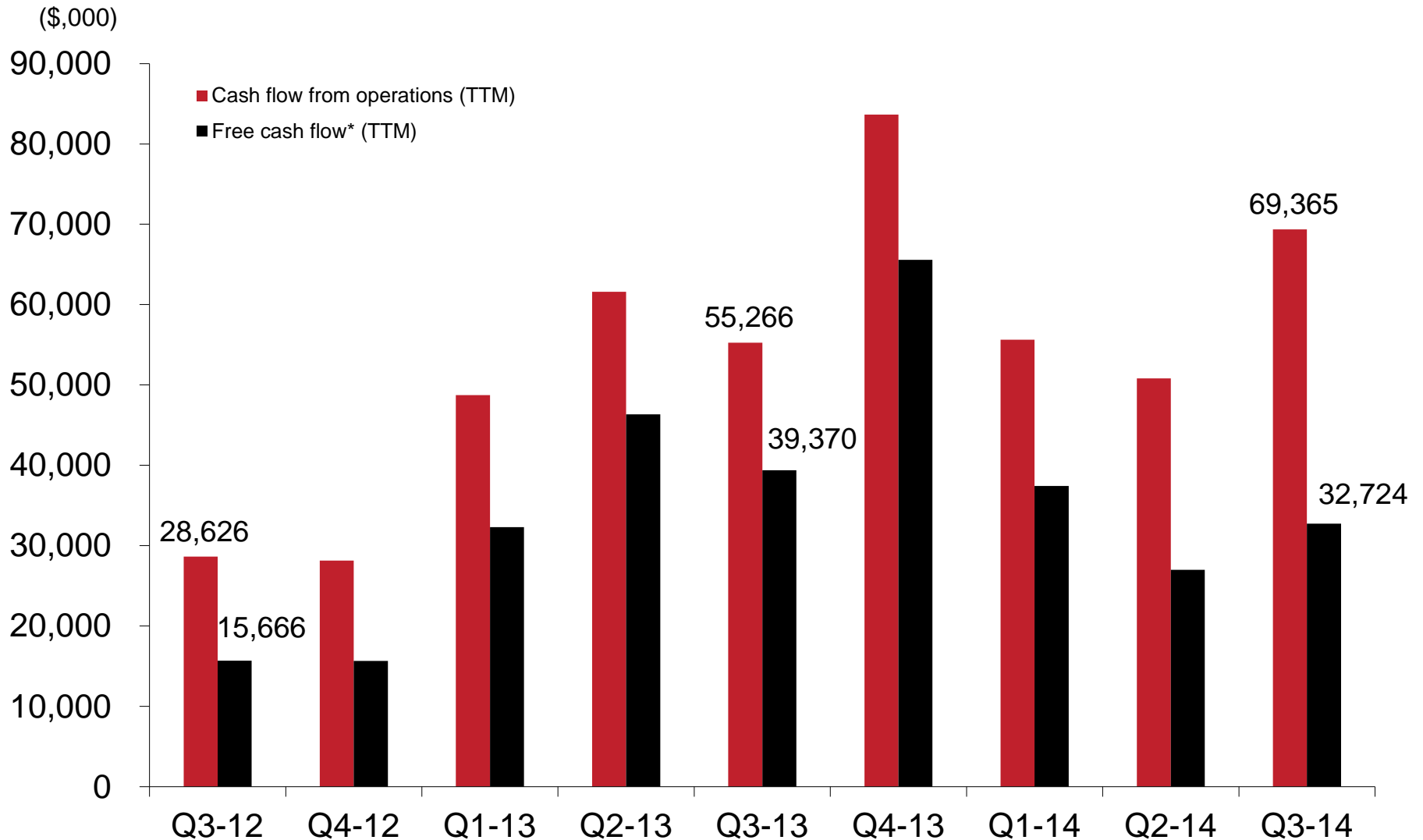


Quarterly Net Income



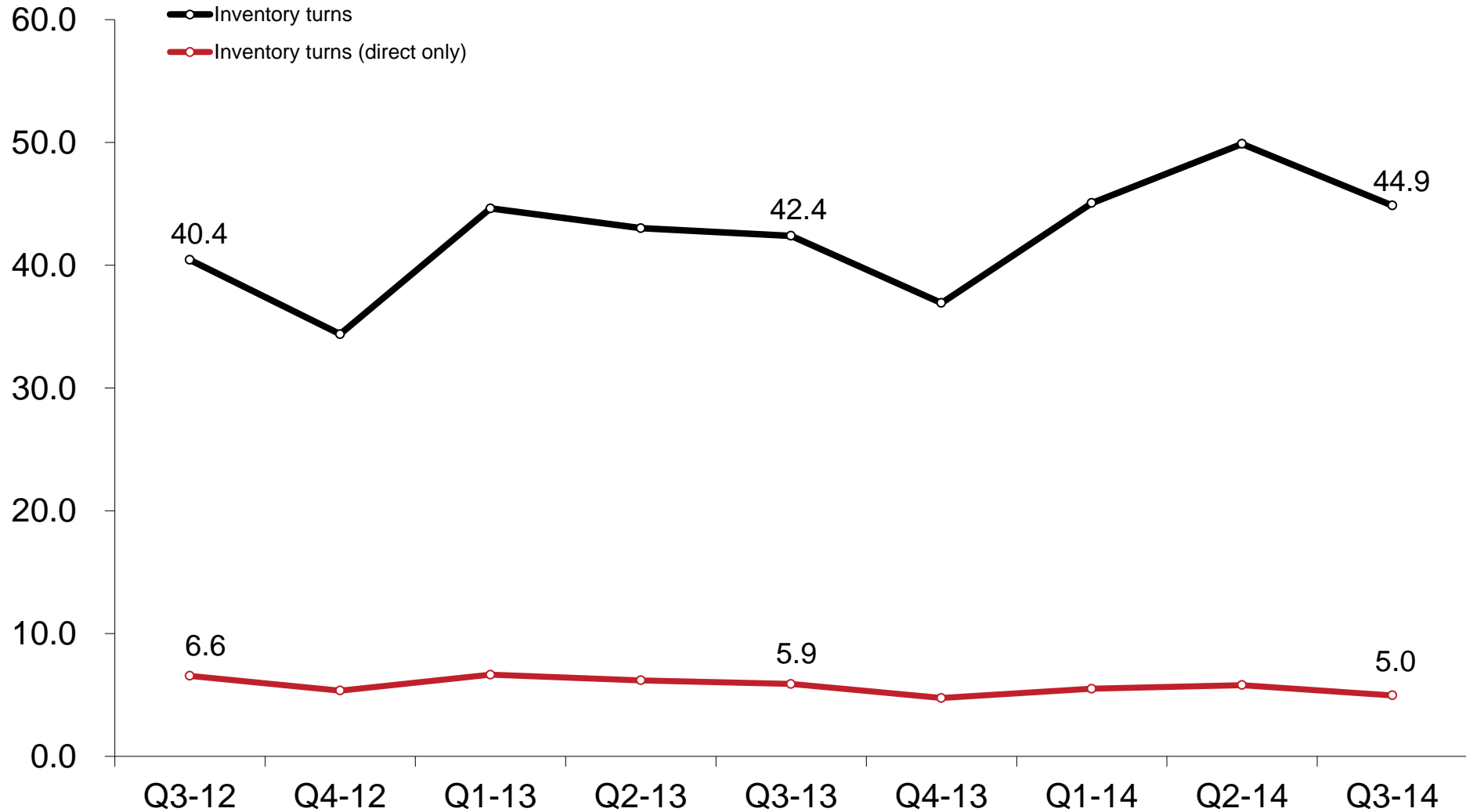
Q4 2013 includes \$69.6 million net impact of deferred tax asset valuation release, after an immaterial revision related to current and deferred tax assets and our provision for income taxes for Q4 2013.

overstock.com® Operating & Free Cash Flow (TTM)

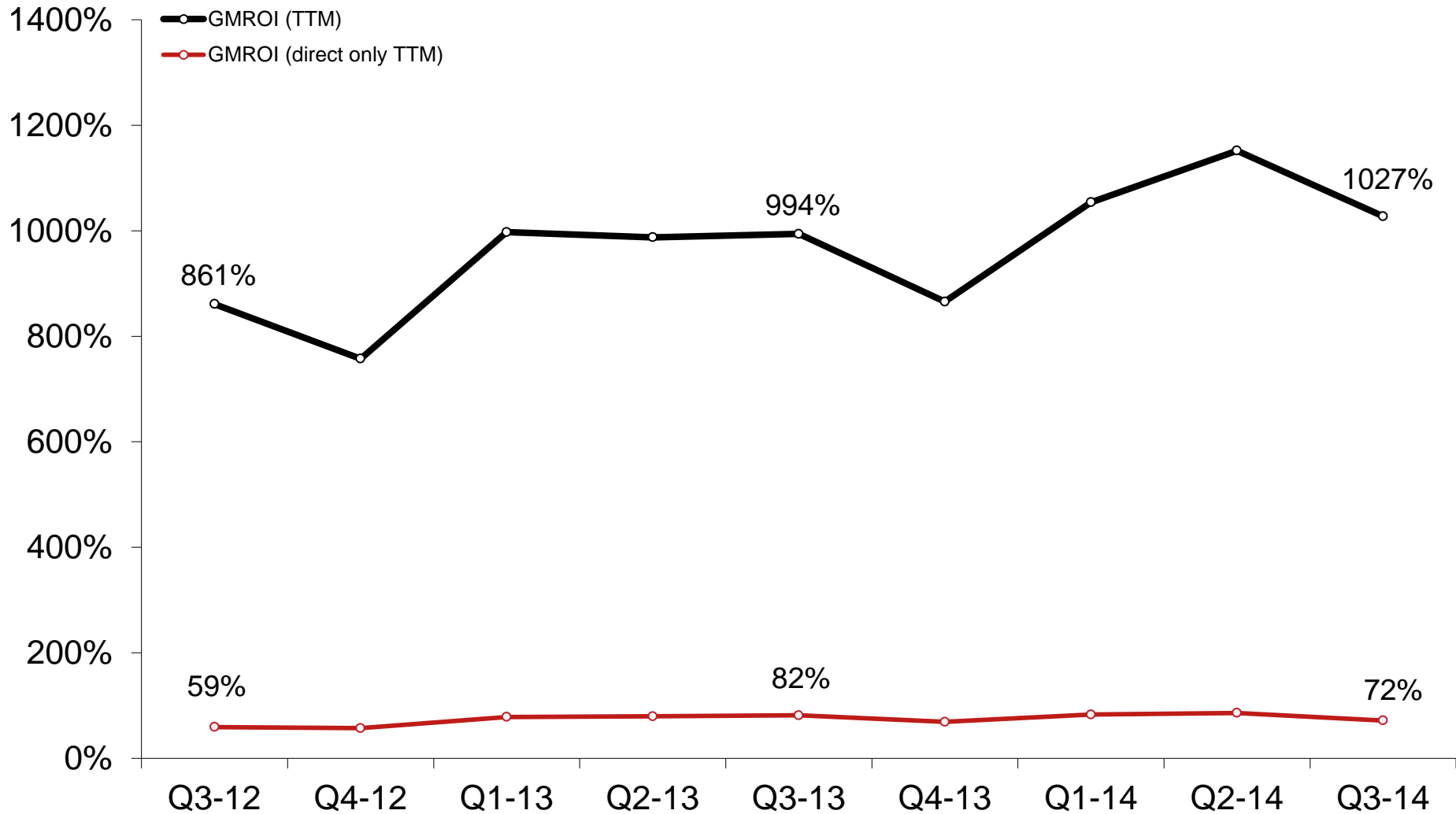


* non-GAAP

GAAP TTM Inventory Turns

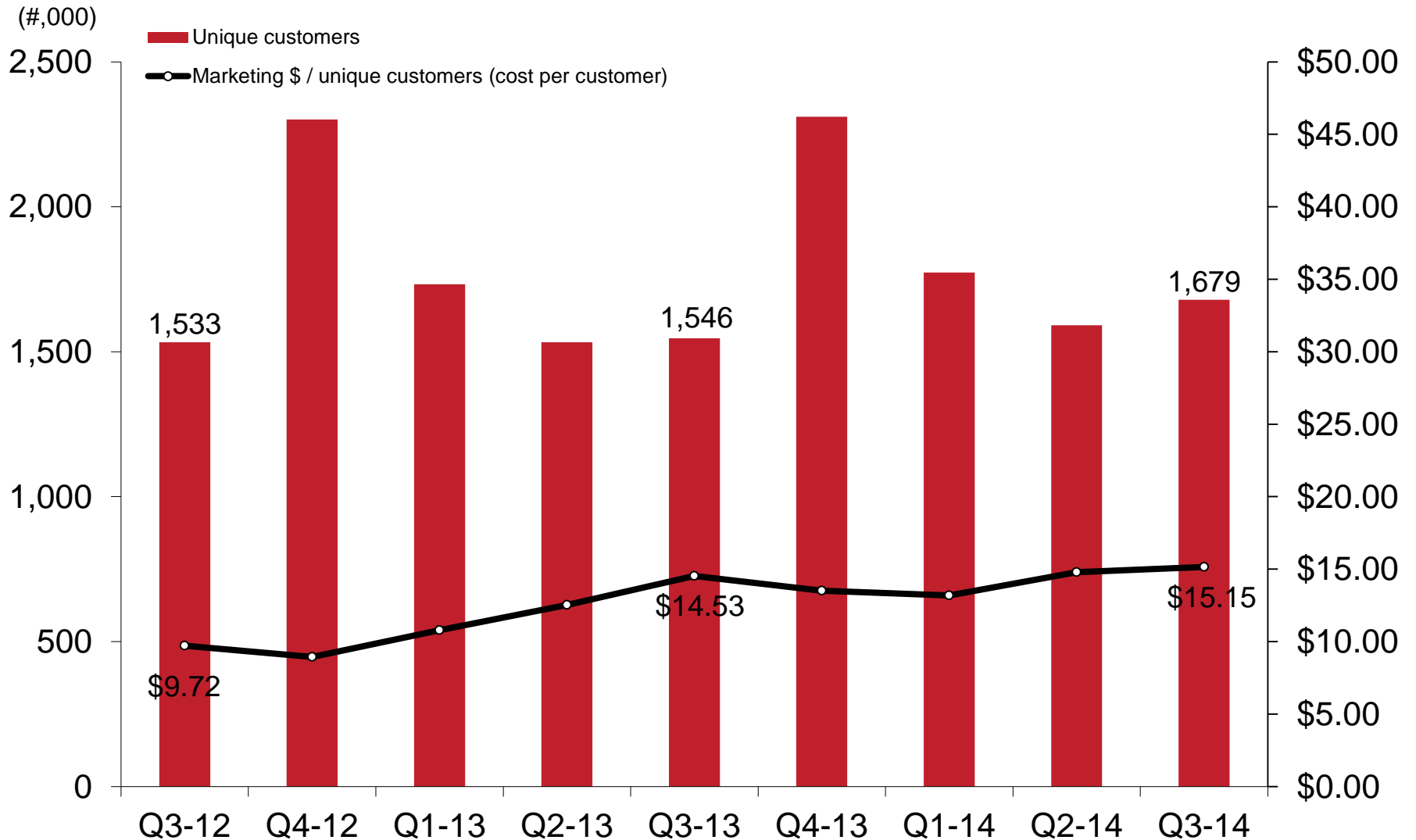


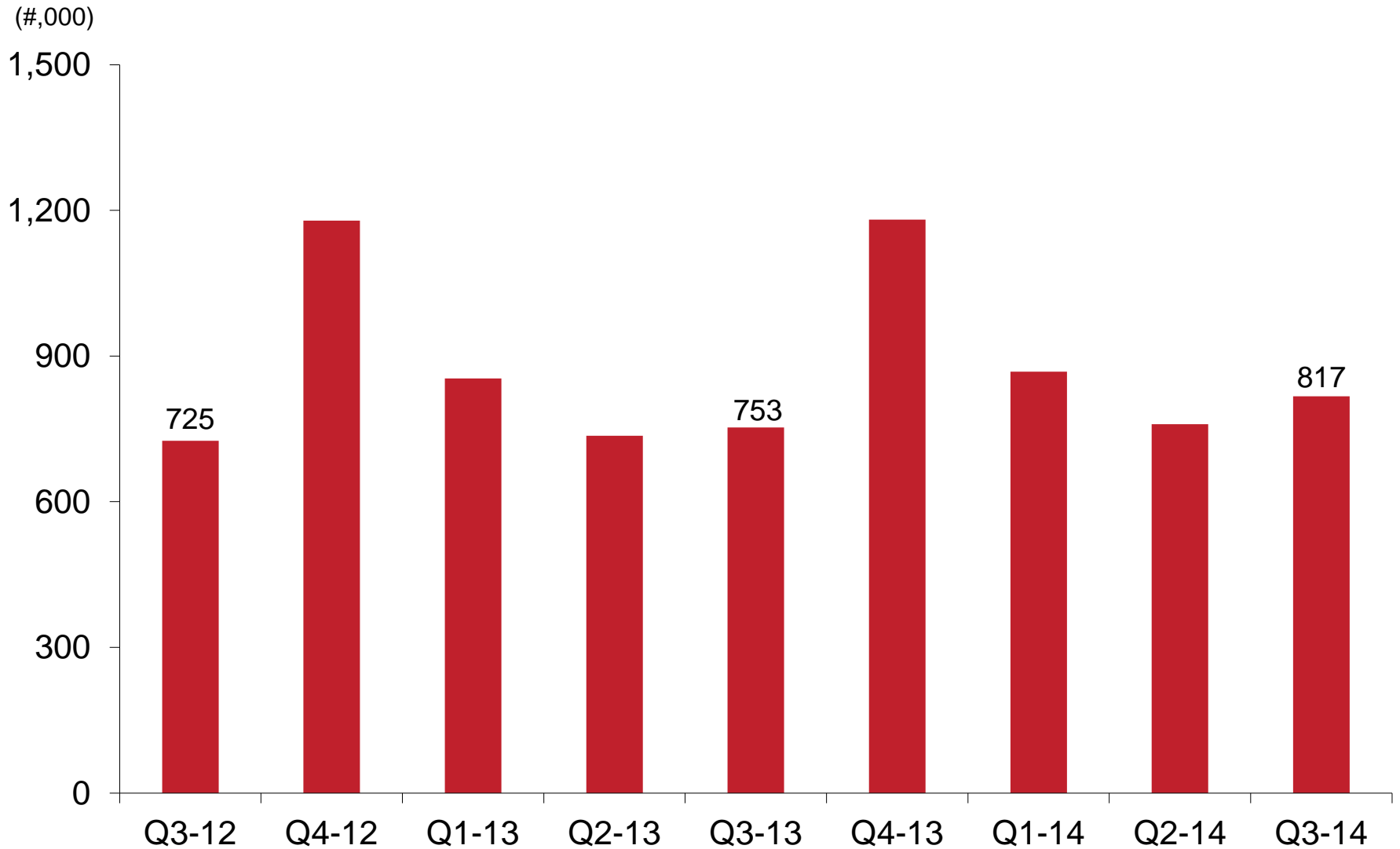
TTM Inventory Turns: $\text{TTM COGS} / \text{Average Inventory}$



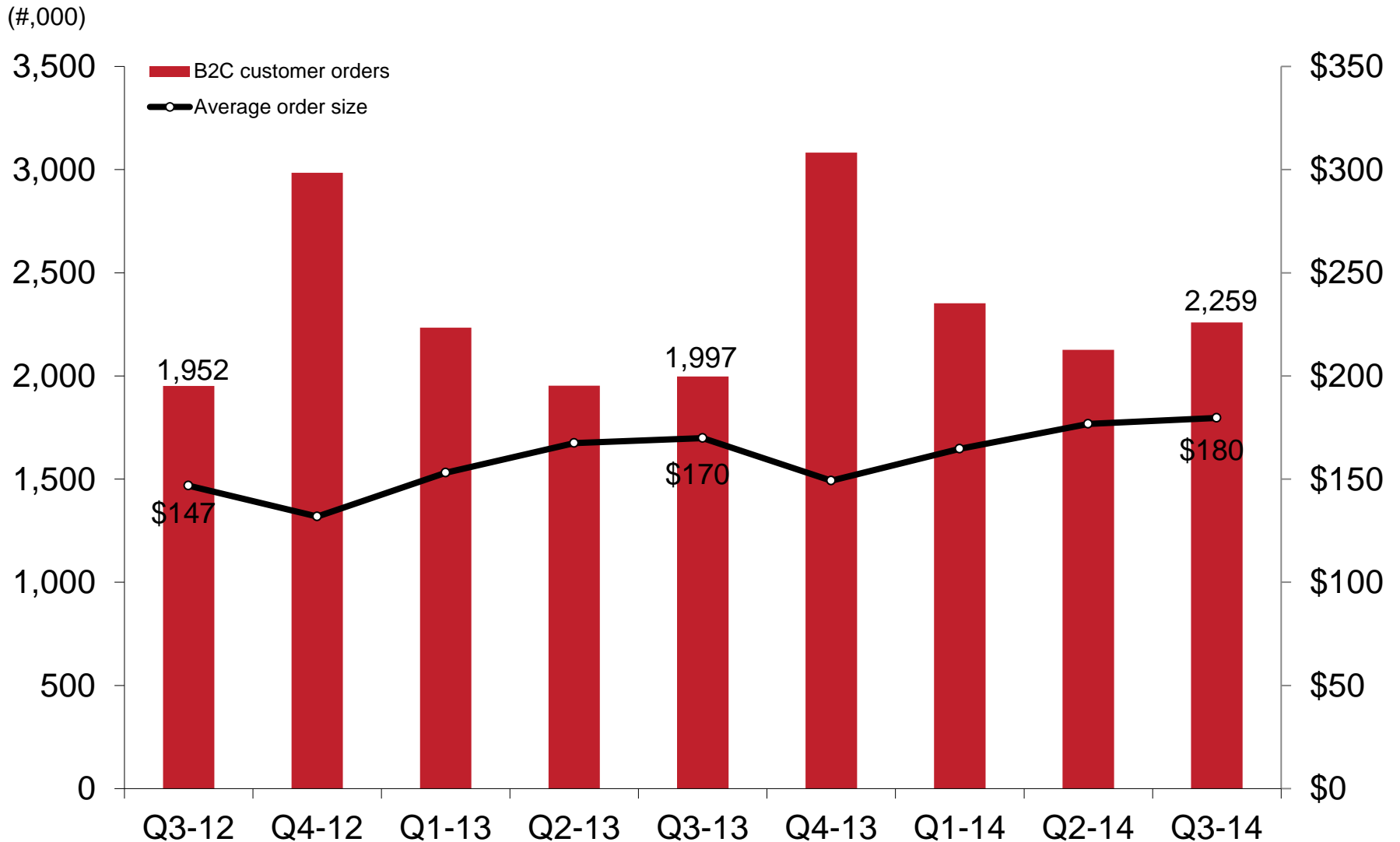
*GMROI (TTM) = TTM GM% * TTM Revenue / Average Inventory

Unique Customers & Cost per Customer

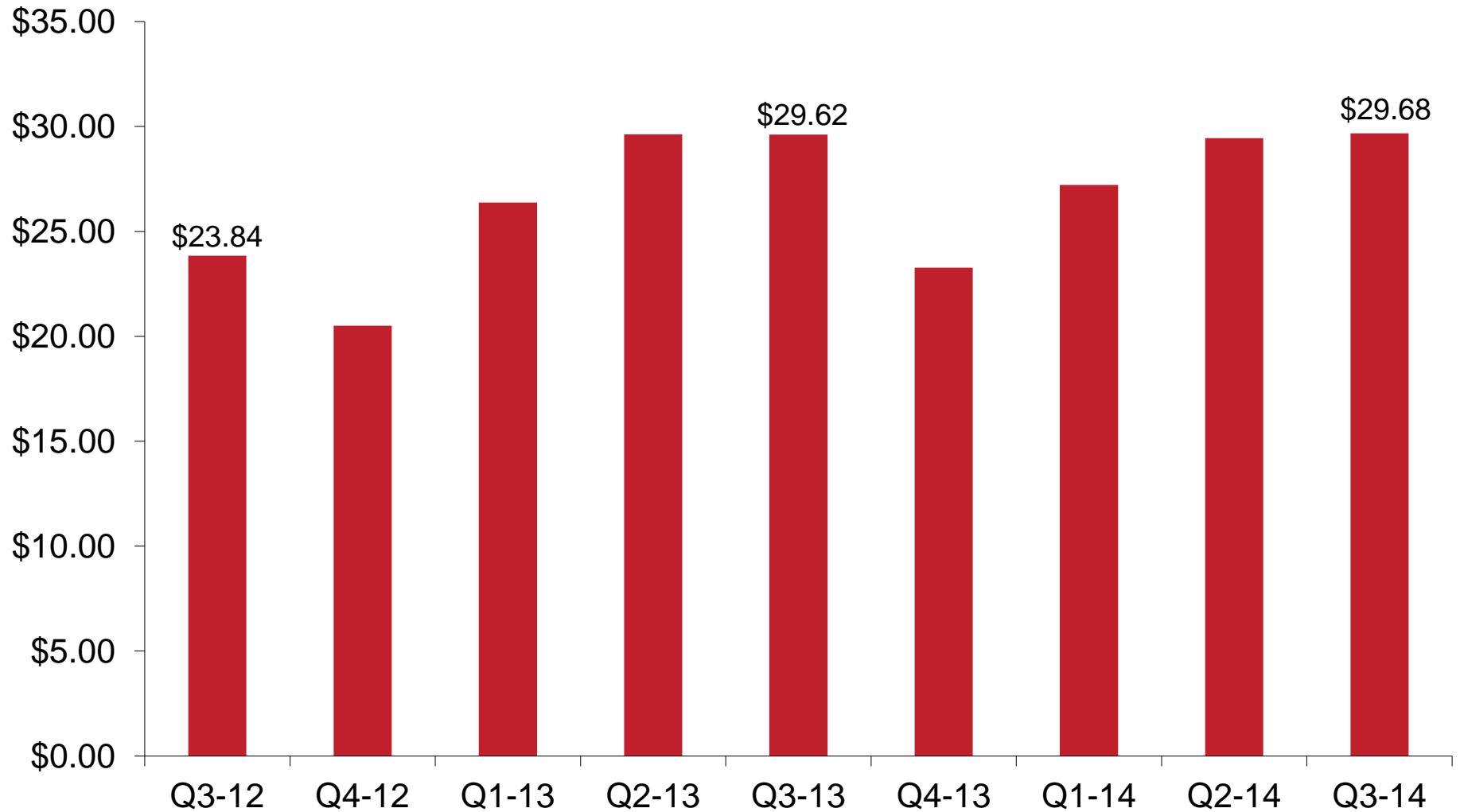




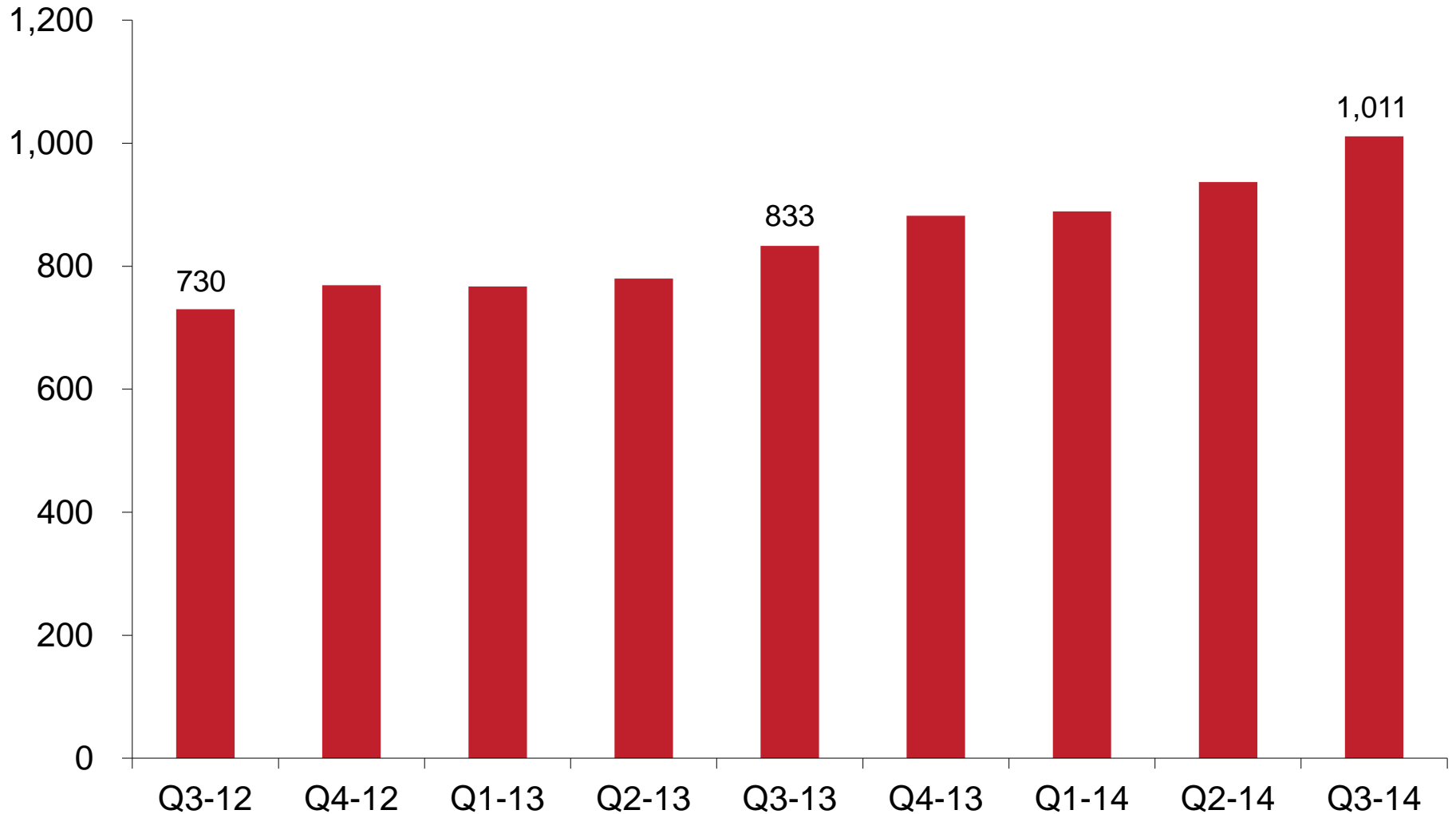
Customer Orders & Average Order Size



Gross Profit per Transaction



Corporate Employees



- Broke ground on Peace Coliseum on Oct 10, move in Aug 2016
- \$96M estimated total campus cost (buildings, parking, landscaping, equipment, furniture etc...) before tax incentives
- Expected financing terms:
 - \$46M real estate loan, 4.6% interest rate (swapped), 9 year term
 - We fund first \$36M (includes \$11M land purchase) before first draw
 - Annual debt service of \$3.2M vs \$5.4M estimated avg rent if we renewed existing HQ (for half the space and no ownership)
 - Also will provide \$10M working capital revolving loan
 - \$20M future equipment and furniture line under discussion
 - More details to come in Form 8-K once closed

A - Bitcoin

B - Pets

C - Farmers Market (alpha)

D - Insurance

E - Supplier Oasis Fulfillment Services

F - Private Label Credit Card

G - Medici

Questions