



Overland Storage Files Patent Infringement Lawsuits on Tape Storage Technologies

June 28, 2012

SAN DIEGO, CA, Jun 28, 2012 (MARKETWIRE via COMTEX) --Overland Storage (NASDAQ: OVRL), the trusted global provider of effortless data management and data protection solutions, today announced it has filed patent infringement lawsuits in the United States District Court for the Southern District of California against seven companies.

These lawsuits, all filed on June 28, 2012, name as defendants Quantum Corporation, based in San Jose, California; Spectra Logic Corporation, based in Boulder, Colorado; PivotStor, Inc., based in Irvine, California; Qualstar Corporation, based in Simi Valley, California; Tandberg Data GmbH, based in Germany; Tandberg Data Corp., based in Westminster, Colorado; and Venture Corporation Limited, based in Singapore.

The two patents in the Overland Storage lawsuits represent fundamental improvements in media access and virtual storage in the tape storage marketplace and were recently found to be valid by Chief Administrative Law Judge E. Charles Bullock of the International Trade Commission ("ITC"). According to recent IDC reports, the tape storage market between 2005 and 2015 will surpass \$12 billion in total revenue, and the seven companies named in the patent infringement lawsuits filed today collectively represent approximately 40 percent of that market. In addition to a royalty for its patented inventions, Overland seeks to prevent each of the defendants from using its patented technologies in the United States.

"Overland Storage is a proven technology innovator in the data management and protection marketplace. We are pleased that our patents have been validated by the ITC and believe these technologies have been instrumental in the demand for tape storage solutions," said Mr. Eric Kelly, President and CEO of Overland Storage. "We have a responsibility to our shareholders, customers and employees to vigorously protect our investments and the valuable patent portfolio we have established."

The new lawsuits claim infringement of one or both of the following United States patents owned by Overland Storage:

1. US Patent No. 6,328,766, referred to as partitioning, this technology enables administrators to segment the tape library into partitions so that data can be simultaneously, independently and securely accessed for data back up and archive
2. US Patent No. 6,353,581, is a method by which users can securely import or export individual data cartridges within the tape library without violating the security of the system or disturbing other operations

These newly filed lawsuits are in addition to Overland Storage's patent infringement lawsuit against BDT, which is pending in the ITC (337-TA-746) and in the Southern District of California (Case No. 10-cv-1700). Overland Storage previously announced that it plans to continue its lawsuit against BDT both in the ITC and in federal district court.

The lawsuits filed and announced today are:

1. Overland Storage, Inc. v. Quantum Corp. and Venture Corp. Ltd., Case No. 3:12-cv-01599
2. Overland Storage, Inc. v. Spectra Logic Corp., Case No. 3:12-cv-01597
3. Overland Storage, Inc. v. PivotStor, Inc., Case No. 3:12-cv-01598
4. Overland Storage, Inc. v. Qualstar Corp., Case No. 3:12-cv-01605
5. Overland Storage, Inc. v. Tandberg Data GmbH and Tandberg Data Corp., Case No. 3:12-cv-01604

Overland Storage is represented in the lawsuits by DLA Piper LLP (US).

As a reminder, Overland Storage will host an investor conference call today at 2 p.m. PDT (5 p.m. EDT) to discuss its ongoing litigation. To access the call, dial (877) 941-4774 (+1 (480) 629-9760 outside the United States) and when prompted, provide the pass code "Overland Storage" to the operator. Participants are asked to call the assigned number approximately 10 minutes before the conference call begins.

About Overland Storage

Overland Storage is the trusted global provider of effortless data management and data protection solutions across the data lifecycle. By providing an integrated range of technologies and services for primary, nearline, offline, archival and cloud data storage, Overland makes it easy and cost effective to manage different tiers of information over time. Overland SnapServer(R), SnapSAN(TM), NEO(R) and REO(R) solutions are available through a select network of value added resellers and system integrators. For more information, visit <http://www.overlandstorage.com/>.

Safe Harbor Statement

Except for the factual statements made herein, the information contained in this news release consists of forward-looking statements that involve risks, uncertainties and assumptions that are difficult to predict. Words and expressions reflecting optimism, satisfaction or disappointment with current prospects, as well as words such as "believes," "hopes," "intends," "estimates," "expects," "projects," "plans," "anticipates" and variations thereof, or the use of future tense, identify forward-looking statements, but their absence does not mean that a statement is not forward-looking. Such forward-looking statements are not guarantees of performance and our actual results could differ materially from those contained in such statements. Factors that could cause or contribute to such differences include, but are not limited to: our ability to maintain and increase sales volumes of our products; our ability to continue to aggressively control costs and operating expenses; our ability to achieve the intended cost savings and maintain quality with our new manufacturing partner; our ability to generate cash from operations; the ability of our suppliers to provide an adequate supply of components for our products at prices consistent with historical prices; our ability to raise outside capital and to repay our debt as it comes due; our ability to introduce new competitive products and the degree of market acceptance of such new products; the timing and market acceptance of new products introduced by our competitors; our ability to maintain strong relationships with branded channel partners; our ability to maintain the listing of our common stock on

the NASDAQ Capital Market; customers', suppliers' and creditors' perceptions of our continued viability; rescheduling or cancellation of customer orders; loss of a major customer; general competition and price measures in the market place; unexpected shortages of critical components; worldwide information technology spending levels; and general economic conditions. Reference is also made to other factors detailed from time to time in our periodic reports filed with the Securities and Exchange Commission. These forward-looking statements speak only as of the date of this release and we undertake no obligation to publicly update any forward-looking statements to reflect new information, events or circumstances after the date of this release.

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