



Overland Storage Announces Filing of Definitive Proxy Statement in Conjunction With Acquisition of Tandberg Data

December 20, 2013

SAN DIEGO, CA -- (Marketwired) -- 12/20/13 -- Overland Storage (NASDAQ: OVRL), a trusted global provider of unified data management and data protection solutions across the data lifecycle, today announced that it has filed with the Securities and Exchange Commission definitive proxy materials in connection with its previously announced definitive agreement to acquire Tandberg Data Holdings S.a.r.l. ("Tandberg").

The Company expects to begin mailing the definitive proxy materials to its shareholders the week of December 23rd. The special meeting of Overland shareholders will be held on Thursday, January 16, 2014 at 1:00 p.m. Pacific Time. The meeting will be held at CityView Plaza, 125 South Market Street, 2nd Floor, Room 225B, San Jose, California. All shareholders of record of Overland's common stock as of the close of business on December 9, 2013 will be entitled to vote their shares at the meeting either in person or by proxy.

The Overland board of directors unanimously recommends that Overland shareholders vote "FOR" the proposal to approve the issuance of shares of the Company's common stock to the shareholders of Tandberg pursuant to the acquisition agreement and each of the other proposals described in the definitive proxy materials. Under the terms of the acquisition agreement, the shareholders of Tandberg will be entitled to receive 47,152,630 shares of common stock of the Company, subject to certain adjustments as defined in the proxy materials filed with the SEC.

The acquisition, which is currently expected to be completed by the end of January 2014, remains subject to customary closing conditions, including shareholder approval.

About Overland Storage

Overland Storage is a trusted global provider of unified 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. Whether distributed data is across the hall or across the globe, Overland enables companies to focus on building their business instead of worrying about data growth. Overland SnapScale, SnapServer, SnapSAN, NEO Series and REO Series solutions are available through a select network of value added resellers and system integrators. For more information, visit 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: the occurrence of any event, change or other circumstances that could give rise to the termination of the definitive acquisition agreement, the failure to obtain shareholder approval or the failure to satisfy the closing conditions, the failure to obtain the necessary regulatory approvals on conditions permissible under the acquisition agreement, risks related to disruption of management's attention from our ongoing business operations due to the transaction, the effect of the announcement of the acquisition on the ability of Overland and Tandberg to retain customers and retain and hire key personnel and maintain relationships with its suppliers, operating results and business generally; 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 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 comply with the continued listing requirements of, and thereby 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; our ability to enforce our intellectual property rights and protect our intellectual property (including the outcome of our ongoing patent litigation); 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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Source: Overland Storage