



Overland Storage(R) Announces Business Update; Expects to Exceed \$24 Million Revenue for Q4FY14

August 4, 2014

SAN DIEGO, CA -- (Marketwired) -- 08/04/14 -- Overland Storage, Inc. (NASDAQ: OVRL), a trusted global provider of unified data management and protection solutions across the data lifecycle, today announced an update on its business operations to address recent successes.

"The company continues to execute on its plan to become a global leader in the rapidly-growing virtualization, cloud computing, mobile and data management markets," said Eric Kelly, president and CEO of Overland Storage. "We are seeing positive customer responses to the combination of Overland and Tandberg, and are progressing towards achieving the operational efficiencies required to return to profitability. In addition, our recent financial results, coupled with product growth and achievements, are providing a good foundation as we progress into our next growth phase."

Financial Highlights:

- **Net revenue** for the fourth quarter of FY2014 is expected to exceed \$24 million, up from approximately \$20 million from the third fiscal quarter.
- **RDX®** revenue is expected to exceed \$8 million for the fourth quarter of FY2014, up from approximately \$6 million in the third quarter.
- **NAS** revenue increased more than 20% from the third quarter to the fourth quarter of FY2014.
- **Integration with Tandberg Data:** The Company is continuing to remain on track with its integration plan, and expects to achieve approximately \$20 million in annual synergies, as previously disclosed, by the end of calendar year 2014.

Business Highlights:

- **RDX:** The RDX product line has reached a significant milestone with over 2 million RDX removable disk cartridges and over 650,000 RDX drives shipped worldwide. This milestone demonstrates the growing global acceptance of RDX technology as a backup and archive system.
- **NAS:** Last week, the Company [announced](#) the newest version of its award-winning GuardianOS® NAS operating system with enhanced features for simplified storage management, improved compatibility, security and performance. Optimized for reliability and speed, GuardianOS delivers storage provisioning, data protection, improved cross-platform file sharing, mixed client network environments, and security. GuardianOS 7.5 is available now for download.
- **Tape business:** In June, Overland Storage won "Tape-Based Product of the Year" at the 2014 [Storage Awards](#) for its NEO® 8000e tape library, and was named runner-up for the Tandberg Data StorageLibrary® T40+.
- **SnapServer® and BitTorrent Collaboration:** Earlier this month, the Company [announced](#) collaboration with BitTorrent, Inc. to embed BitTorrent Sync™ within Overland's award-winning SnapServer Network Attached Storage (NAS) product line. Available now, this solution delivers an integrated, secure private cloud mobility solution, and effortlessly synchronizes files between geographically-dispersed mobile devices, tablets, desktop clients and networked storage systems with no transfer limits or subscription fees.
- **Virtualization business** continues through the Company's existing partnership with Sphere3D. Several customers are participating in the early adopter and pilot programs including organizations in key market segments such as:
 - Public Sector: Thousand+ Chromebook implementation based on Glassware 2.0
 - Healthcare: A network of hospitals are implementing a combined solution that includes SnapServer DX2, V3 appliances, and Glassware2.0
 - Cloud Deployment: A leading business productivity applications suite virtualized by the Glassware 2.0 and built on an Overland Storage cloud infrastructure
- **BDT Lawsuit Settlement:** Overland Storage has settled all claims in its patent infringement litigation filed against BDT Media Automation GmbH. As part of the settlement agreement, Overland Storage has entered into a patent cross-license agreement with BDT Media Automation GmbH and a strategic investment in Overland Storage by BDT.
- **Sphere3D Merger:** Overland Storage's definitive merger agreement with Sphere3D Corporation is progressing with a Form F-4 registration statement that was filed on July 23.

About Overland Storage

Overland Storage is a trusted global provider of unified data management and data protection solutions across the data lifecycle. The Company provides an extensive and complementary portfolio of technologies and services for primary, nearline, offline, and archival data storage. Overland Storage and Tandberg Data, a wholly-owned subsidiary of Overland, make it easy and cost-effective to manage different tiers of information over the data lifecycle, whether distributed data is across the hall or across the globe. Overland Storage recently announced its proposed merger with Sphere

3D Corporation (NASDAQ: ANY) (TSX VENTURE: ANY) This alliance is intended to bring together next generation technologies for virtualization and cloud coupled with end-to-end scalable storage offerings, allowing them to address the rapidly growing virtualization and cloud markets. Overland Storage and Tandberg Data solutions are available through a select network of value-added resellers and system integrators. For more information, visit <http://www.overlandstorage.com> or <http://www.tandbergdata.com>.

Overland Storage, the Overland logo and Tandberg Data are trademarks or registered trademarks of Overland Storage, Inc. that may be registered in some jurisdictions. All other trademarks are the property of their respective owners.

Overland Storage Contact:

Pattie Adams

Director, Global Corporate Communications

+1 (408) 283-4779

padams@overlandstorage.com

www.overlandstorage.com

Source: Overland Storage