



Overland Data Announces Third Quarter Results And Stock Purchase Program

April 15, 1997

SAN DIEGO, California - Overland Data, Inc. (NASDAQ/NMS: OVRL) today reported results for its third fiscal quarter ended March 31, 1997. Revenues for the quarter increased 41% to \$15.4 million compared to \$10.9 million in the same period of the prior year. Net income more than doubled to \$797,000, or \$.09 per share, compared to \$284,000, or \$.04 per share, in the prior year.

For the nine months ended March 31, 1997, revenues of \$42.6 million were up 25% from \$34.2 million in the same period of the prior year. Net income for the nine months amounted to \$2.2 million, or \$.25 per share, compared to \$1.4 million, or \$.18 per share, in the prior year.

Commenting on the Company's performance, Scott McClendon, Overland's President & CEO, stated, "We are pleased with our first quarterly results as a public company. We have a strong base of highly reliable products and continue to introduce follow-on and new products to complement them. Our award-winning DLT-based LibraryXpress products, which have now been shipping for a full year, have received wide acceptance in the marketplace and we are working on solid opportunities for them over the next few quarters."

Overland also reported that its Board of Directors has authorized a program to purchase up to 500,000 shares of its common stock in the open market. The Company intends to use such shares to lessen the dilutive impact on earnings per share of its employee stock benefit plans. The program will be implemented after April 17, 1997 which marks the end of the Company's internally imposed blackout period for its third fiscal quarter.

Overland Data is a technology leader in high-performance scaleable tape solutions for high-capacity backup, interchange, HSM and archival storage. The Company offers three complete technology choices: DLT, 18- and 36-track, and 9-track, designed for workstations, networks and midrange systems. Overland's award-winning products meet the needs of end users, distributors and OEMs in industries worldwide.

-- Table Follows --

OVERLAND DATA, INC.
CONSOLIDATED STATEMENTS OF OPERATION
(Unaudited)
(In thousands, except per share data)

	<i>Three Months Ended</i>		<i>Nine Months Ended</i>	
	<i>March 31</i>		<i>March 31</i>	
	<i>1997</i>	<i>1996</i>	<i>1997</i>	<i>1996</i>
Net sales	\$ 15,404	\$ 10,889	\$ 42,637	\$ 34,208
Cost of goods sold	10,167	7,254	27,588	22,633
Gross profit	5,237	3,635	15,049	11,575
Operating expenses:				
Sales and marketing	1,738	1,542	5,296	4,410
Research and development	993	858	3,088	2,766
General and administrative	1,189	742	2,938	2,143
Total expenses	3,920	3,142	11,322	9,319

Operating income	1,317	493	3,727	2,256
Other income (expense), net	12	(44)	(117)	(81)
Income before income taxes	1,329	449	3,610	2,175
Income taxes	532	165	1,445	779
Net income	\$ 797	\$ 284	\$ 2,165	\$ 1,396
Net income per share	\$ 0.09	\$ 0.04	\$ 0.25	\$ 0.18
Shares used in computing net income per share	9,343	8,033	8,602	7,840

Except for the factual statements made herein, the information contained in this press release consists of forward looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those contained in such statements. Factors that could cause or contribute to such differences include unexpected shortages of critical components, rescheduling or cancellation of customer orders, the timing and market acceptance of new product introductions by the Company and its competitors, and general competition and price pressures in the marketplace. Reference is also made to other factors set forth in the Company's filings with the Securities and Exchange Commission including the "Risk Factors", "Management's Discussion and Analysis" and other sections of the Company's Form 10-K for the most recently completed fiscal year.

* DLT is a claimed trademark of Quantum Corp. worldwide. All other products are trademarks or registered trademarks of their respective companies.