



Overland Data Reports Class Action Lawsuit

April 25, 1997

SAN DIEGO, California - Overland Data Inc. (NASDAQ/NMS: OVRL) announced today that a class action lawsuit has been filed against the Company and certain of its officers and directors in the U.S. District Court of the Southern District of California. The suit alleges certain violations of federal securities laws in connection with Overland's initial public offering. The Company stated that it intends to vigorously defend itself against the lawsuit

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.