



Overland Selected by Compaq as an OEM Supplier

June 14, 1999

SAN DIEGO--(BUSINESS WIRE)--June 14, 1999--Overland Data Inc. (Nasdaq/NM:OVRL), a technology leader in data storage and backup products, Monday announced that it has been selected by Compaq (NYSE:CPQ) as an OEM supplier for entry-level and departmental secondary automated storage products, supporting the leading Compaq ProLiant server line.

"Overland automated DLTape library products offer Compaq a significant opportunity to position various configurations and solutions across a broad range of system applications," said Scott McClendon, Overland president and CEO. "Overland will help Compaq address the need for expandable, flexible solutions in this fast-paced market."

The Compaq decision to select Overland as an OEM supplier was based on rigorous product testing, significant features that Overland products offer the market and an in-depth vendor evaluation period to assure the consistent high level of product quality and vendor excellence demanded by Compaq and its customers.

"Working with Overland provides us with an opportunity to expand Compaq offerings of scalable automated storage solutions, and provide our customers with the level of technology excellence and reliability they have come to know from Compaq," said Jeff Jenkins, manager Data Products Marketing at Compaq.

"Compaq continues to make strategic commitments to tape library automation as a key element of their total storage architecture," said Michael Peterson, president of Strategic Research. "The relationship with Overland is further evidence that Compaq is providing its customers with 'best-of-class' solutions for backup and tape storage applications."

About Overland

Overland is a global supplier of storage automation solutions and related technologies designed to meet and surpass the critical requirements of high-availability network computing environments, from entry level to the enterprise.

The company is a recognized leader in technology innovation for such achievements as the award-winning DLT LibraryXpress(tm) SmartScale Storage(tm) architecture that establishes new standards for intelligent automated storage and scalability, and the patented (No. 5,815,514) Variable Rate Randomizer (VR2(tm)) data encoding technology that can significantly increase the capacity and throughput of linear tape formats.

Overland has also earned a worldwide reputation for unmatched product quality and innovative warranty programs such as the Guaranteed Up Time Service (GUTS(tm)) Program that dramatically reduce the total cost of ownership. The company's award-winning products meet the critical needs of end users, distributors and OEMs in industries worldwide.

Note to Editors: DLTape is a registered trademark of Quantum Corp. All others are trademarks or trade names of their respective owners.

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 and satisfaction with current prospects, as well as words such as "believe," "intends," "expects," "plans," "anticipates" and variations thereof, 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 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; loss of a major customer; the timing and market acceptance of new product introductions by the company and its competitors; general competition and price pressures in the marketplace; and the company's ability to control costs and expenses. 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. These forward-looking statements speak only as of the date of this release, and the company undertakes 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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