



## Overland Ships First VR2-Enhanced Autoloader

March 20, 2000

SAN DIEGO--(BUSINESS WIRE)--March 20, 2000--Overland Data Inc., (NASDAQ:OVRL), a technology leader in tape backup products, announced today that it has shipped its first SLR100 autoloader featuring the company's innovative Variable Rate Randomizer (VR2(TM)) advanced data encoding technology to Tandberg Data, which will market the product worldwide.

VR2-equipped drives can significantly reduce data backup times while allowing more information to be stored on a single cartridge. The chip's implementation moves SLR from the entry-level to the mid-range server market and is expected to create additional market opportunities for both Overland and Tandberg Data.

"We are excited to announce the shipment of our first VR2-powered product," said Scott McClendon, President and CEO at Overland. "This is a banner day for Overland, Tandberg Data and others in the tape industry. We believe this is a major step in supercharging the performance of all linear tape drives, while immediately extending the life of current product families."

Tandberg Data was the first company to license Overland's VR2 technology in 1998, at which time Overland licensed rights to manufacture and market Tandberg Data's SLR technology. Overland has since reached licensing agreements for its VR2 technology with Imation Corp. (NYSE:IMN) for use on Travan tape drives to be produced by authorized manufacturers and with Seagate Technology (NYSE:SEG) for inclusion in future Seagate tape drives.

Overland's VR2 encoding technology produces up to two times the native capacity and native data transfer rate performance of existing linear tape technologies without requiring any changes in tape path design, recording heads and/or media. This is accomplished by achieving rate efficiency of greater than 99 percent, making it one of the most efficient Partial Response Maximum Likelihood (PRML) implementations ever developed. VR2 can be implemented on any linear tape drive technology.

Overland and Tandberg Data demonstrated the VR2 technology on the SLR100 this past November at Comdex to great interest and rave reviews. Computer Technology Review has referred to VR2 as "without a doubt one of the most significant developments in tape technology in recent years."

"Tandberg Data is excited about the first shipment of the SLR100 Autoloader featuring VR2 technology," said Bjorn Evensen, Corporate VP of Marketing, Tandberg Data. "We have long believed that the merging of two technology innovations, SLR and VR2, will transform the tape storage landscape by empowering users with a superior and more cost-effective information storage solution."

### About Overland

Overland Data, Inc. (NASDAQ:OVRL) is a global supplier of innovative data storage and storage automation solutions for computer networks. The Company's award-winning DLT LibraryXpress(TM) SmartScale Storage(R) architecture has set new standards for intelligent automated storage and scalability and established Overland as a leader in the mid-range tape storage market. Today, Overland is broadening its product line and technology offerings to address additional segments of the storage market, including the entry-level small-business market, as well as the higher-end enterprise environment. Overland's patented Variable Rate Randomizer (VR2(TM)) data encoding technology, capable of substantially increasing the capacity and throughput of linear tape formats, is being applied by the Company to Travan tape drives, and has been licensed to Seagate Technology, Tandberg Data and Imation Corp. Overland products, acclaimed for their quality and reliability, are sold worldwide through leading OEMs, including Compaq, IBM, Fujitsu Siemens Computers and Groupe Bull, commercial distributors such as Ingram Micro, Tech Data Corp. and Bell Microproducts, as well as storage integrators and value-added resellers.

Except for the factual statements made herein, the information contained in this press 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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