

Overland Data, Inc., Corrects and Replaces Previous Overland Data Announcement, BW0357, CA-OVERLAND-DATA

September 5, 2000

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Con Edison Standardizes On Overland Backup Solutions

Overland Data, Inc. (Nasdaq:OVRL), a technology leader in tape backup products, today announced that Consolidated Edison, one of the nation's largest utility companies, has selected Overland's LibraryXpress(TM) automated data storage solution to reliably backup and quickly access archived drawings produced by its CAD Infosystems Division.

For more than 100 years, Consolidated Edison has provided electric service in most of New York City, Queens and Westchester County. The company also provides natural gas in Manhattan, the Bronx and part of Queens and Westchester, and steam service in Manhattan. With more than 200 designers producing terabytes of drawing data each year, Con Edison needed to find an efficient, reliable automated solution for its backup needs.

To find the best solution to Con Edison's needs, HorizonTek, a company that specializes in providing storage solutions, was brought in to assess the situation. Don McNaughton, Storage Manager at HorizonTek, recognized that Overland's LibraryXpress would best suit Consolidated Edison's requirements for unattended backup and capacity for future growth.

"Overland is the only company that has a truly scalable solution that will meet Con Edison's storage requirements today and tomorrow," said McNaughton.

Prior to installing the Overland LibraryXpress, Con Edison used a single DAT drive that was manually loaded on a daily basis. Greg Gangl, Project Manager, CAD Infosystems Division of Con Edison, said, "The reason we needed a more automated system was due to human error

• forgetting to exchange tapes regularly. Also, trying to retrieve previous tapes was cumbersome and retrieving files could take hours instead of minutes. Overland's unit has helped combat all of these factors."

Con Edison is primarily using the LibraryXpress to back up a year's worth of AutoCAD drawings from the hard drives of its designers. The system is installed in the company's New York City headquarters and is configured with one LXG and LXC unit and two LXB units to provide more than 3 TBs of backup capacity. Con Edison's operating environment consists of NT and HP servers in the hundreds with Veritas software as the corporate standard for backups.

"Con Edison wanted a system requiring close to zero administration and maintenance and could retrieve any drawing file created within the prior year as quickly as possible," said Steve Richardson, vice president of marketing at Overland. "With the LibraryXpress, they are able to have a completely automated storage solution that provides fast, reliable access to its mission-critical data with the least amount of worry and downtime."

Overland's LibraryXpress is designed for entry automation applications starting at 50 GB, is scalable to 3 TB for network storage and is the first scalable automated library solution that eliminates the physical limitations of conventional tape library designs. The flexible SmartScale Storage(R) architecture of the LibraryXpress allows customers to start with a LXB Base Module containing one or two DLT drives and 10 cartridges, generating an automated storage capacity of up to 700 GB and a data rate of up to 72 GB per hour. Capacity and performance can then be scaled upward based on individual customer requirements to create an ultimate multi-terabyte automated storage solution. The SmartScale Storage design allows network administrators to mix various capacity and performance modules to fine tune the LibraryXpress as it is expanded. The ratio of tape drives to cartridges can be balanced to achieve the optimal configuration based on the customer's individual capacity, performance and budget requirements. LibraryXpress pricing starts at \$13,995.

About Con Edison

Con Edison is a subsidiary of Consolidated Edison, Inc., one of the nation's largest investor-owned energy companies, with more than \$8 billion in annual revenues and \$16 billion in assets. The utility provides electric, gas and steam service to more than 3 million customers in New York City and Westchester County, N.Y. For additional financial, operations and customer service information, visit Con Edison's web site at www.coned.com.

About HorizonTek

HorizonTek draws on two decades of experience in manufacturing, sales and support of high-tech products. Headquartered in Huntington, N.Y., the company specializes in serving the storage and memory requirements of the full spectrum of computer users and resellers. For more information, visit HorizonTek's web site at www.horizontek.com.

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 the standard 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 its entry-level tape drive offerings. It has also been licensed to Imation Corp., Seagate Technology, StorageTek and Tandberg Data. Overland products, acclaimed for their quality and reliability, are sold worldwide through leading OEMs, including Compaq, Fujitsu Siemens Computers, Groupe Bull, IBM and NCR commercial distributors such as Bell Microproducts, Ingram Micro and Tech Data Corp., 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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