



Overland Storage NEO 8000 High-Availability Tape Library Helps Preserve Digital River's Flow of Vital e-Commerce Data

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Secure, Reliable and Economical Storage Solution Meets Growing Data Needs for Global Leader in e-Commerce Outsourcing

SAN DIEGO, Aug. 30 /PRNewswire-FirstCall/ -- Overland Storage Inc. (Nasdaq: OVRL), the leading provider of backup and recovery solutions, today announced that Digital River, a global leader in e-commerce outsourcing, has implemented Overland's NEO(R) 8000 tape library to protect the rapid growth of mission-critical client information. The NEO 8000's expansion-on-demand capabilities and nonstop operation help Digital River reduce the costs and risks of managing e-commerce services for more than 40,000 online businesses worldwide.

Digital River uses a world-class IT foundation and business best practices to deliver e-commerce sites for leading software publishers, online retailers, distributors and manufacturers. To that end, the company relies on sophisticated digital download technologies and a triple-redundant infrastructure to safeguard e-commerce service delivery while ensuring data reliability and integrity. Enterprise-class storage is maintained at three redundant data centers where large amounts of sensitive data are replicated. When Digital River set out to consolidate two separate tape libraries into one faster, more robust system with greater capacity, the company found that the NEO 8000 offered high performance, reliability and overall value.

According to Marty Boos, CIO at Digital River, best-of-breed technology plays a crucial role in ensuring the delivery of highly available and secure e-business services. "Our customers select us for powerful, reliable and profitable e-commerce services, which means the technologies we select must meet the highest standards," he said. "That's why we chose the Overland NEO 8000. The NEO 8000 strikes a balance between advanced functionality and ease of use, resulting in a unique storage solution with an appealing price point."

With Digital River's backup needs rising at 15 percent annually, Boos anticipates that the NEO 8000 will accommodate the company's growth requirements for the foreseeable future. The NEO 8000 offers up to 200 TB of capacity in less than seven square feet of floor space. For added security, the company is installing a redundant NEO 8000 for fault tolerance and additional branch office capacity.

Since deploying the NEO 8000 with its removable magazines, Digital River has simplified bulk loading and media swapping. The system's patented mailslot design lets the IT team add and remove cartridges without disrupting the system. As part of the NEO 8000 deployment, Digital River also upgraded to LTO-2 tape technology. "Since implementing the LTO tapes, which have twice the capacity and speed of older technology, we've lowered our tape requirements and reduced operational costs even further," Boos added.

"Many of our customers, like Digital River, strive for the highest levels of uptime in their data center environments," said Robert Scroop, vice president and general manager, Automation Business Unit at Overland Storage. "By incorporating the latest high-availability features in the affordable, easy-to-use NEO Series, we put complete business continuity capabilities within reach of more organizations."

The NEO 8000 is available through select Overland partners.

About Overland Storage

For more than 20 years, Overland Storage has delivered world-class data protection solutions designed to ensure business continuity. Focused on backup and recovery, Overland's data protection solutions are designed for entry-level and midrange computing environments. These include the REO family of disk-based backup and recovery appliances and the award-winning NEO Series of tape libraries. Overland sells its products worldwide through leading OEMs, commercial distributors, storage integrators and value-added resellers. For more information, visit Overland's website at www.overlandstorage.com.

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 technology spending levels, 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, its competitors or its licensees, including the company's new REO and NEO 8000 products, the timing and amount of licensing royalties, general competition and price pressures in the marketplace, the company's ability to control costs and expenses and economic conditions. 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-Q for the qtr ended March 31, 2004. 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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