



Overland Storage Partners Report Increased Adoption of Disk-based Backup and Recovery Appliances

October 7, 2004

Customer Demand for Fast, Reliable and Affordable Backups and Recovery Drives Strong Interest in REO Appliances

SAN DIEGO, Oct. 7 /PRNewswire-FirstCall/ -- Overland Storage, Inc. (Nasdaq: OVRL), the leading provider of backup and recovery solutions, and its extensive network of channel partners, report increased adoption of disk-based backup and recovery appliances. The company's robust, award-winning REO(TM) SERIES family of appliances, which Overland sells exclusively through channel partners, leads the industry's iSCSI-enabled, high performance, reliable backup and disaster recovery market. According to a recent report by research firm Meta Group, at least 60 percent of IT storage management time is spent on backup and recovery tasks. As such, end users are fast realizing the benefits of disk for shrinking backup windows and delivering near instantaneous restores of data. A disk-based appliance can be used as a stand-alone unit or deployed in conjunction with tape, where it becomes the cornerstone for a disk-to-disk-to-tape (D2D2T) archival strategy.

"More than 50 percent of our customers are considering disk-based solutions today, as compared to about 10 percent a year ago. These customers are interested in disk-based solutions for two key reasons -- to reap the benefits of near-instantaneous data recovery, and to improve the overall reliability of their backup process," said Dave Holloway, chief operating officer, West Coast Technology, an Overland VAR. "Overland's REO family gives us a range of affordable, easy-to-use and highly intelligent appliances that enable us to scale solutions from small and medium businesses all the way to the enterprise."

"As the demand for disk-based backup and recovery continues to grow, our channel has embraced the REO SERIES as an easy-to-sell, easy-to-use solution," said Christie Huff, vice president of marketing, Overland Storage. "In fact, nearly 80 percent of our partners' registered sales opportunities include REOs, and we expect that number to continue to rise."

According to a recent Taneja Group survey, 76 percent of storage managers indicated that they will utilize both tape and disk in the next year. When integrated with tape automation, such as Overland's NEO SERIES(R) of tape libraries, the REO SERIES allows users to achieve the near-instant data recovery of disk and long-term archival benefits of tape, for a complete D2D2T solution.

"Overland Storage is clearly leading the way in tape and D2D products today with their innovative concepts for backup and recovery," said Howie Evans, vice president, Dallas Digital Services, an Overland VAR. "Having the ability to provide our customers with a bundled solution for tape and D2D from a single vendor is just what we have been waiting for. Whether it is Fibre Channel or iSCSI, the REO fits virtually any environment and is extremely cost-effective."

About the REO SERIES

REO 9000 with ProtectionPAC(TM) -- a high-capacity, high-performance disk-based backup and recovery appliance. The newest addition to the REO family, the REO 9000 provides fast backups and near instantaneous restores for up to 10 TB of data, making it an ideal choice for larger organizations that need to ensure business continuity. REO 9000 combines Overland's ProtectionPAC software, serial ATA disks, RAID 5 protection, and both iSCSI and Fibre Channel connectivity in a single, easy-to-install unit. Its ability to operate as both disk and virtual tape enables it to work with existing backup applications, providing users with a single backup catalog and a single media management system. This seamless compatibility allows easy deployment and integration into most backup environments, making it ideal for large data-intensive organizations, including those with both disk and tape.

REO 4000 with ProtectionPAC(TM) -- a preconfigured, easy-to-install appliance with Overland's ProtectionPAC software, specialized hardware, RAID 5 data protection, and both iSCSI and Fibre Channel connectivity. Capable of operating as either disk or virtual tape, the 2 TB REO 4000 enhances existing backup and recovery processes by providing near-instantaneous restores, shorter backup windows and a lower total cost of ownership for data protection.

REO 1000 with ProtectionPAC(TM) -- an autoloader replacement that accelerates the backup process and provides high-speed file restores using iSCSI to deliver more cost-effective data protection than entry-level tape autoloaders. REO 1000 is ideal for small capacity, low-cost applications and remote sites.

Overland products are available exclusively through the company's channel partners. For more information, please visit www.overlandstorage.com.

Overland demonstrates new products and unveils its latest strategies and new initiatives to its channel partners at the company's annual Global Partner Summit this week. VARs, distributors and direct marketers from Europe, Asia and the Americas will participate in the award-winning program, Oct. 4-8.

About Overland Storage

For almost 25 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 include the REO(TM) family of disk-based backup and recovery appliances and the award-winning NEO SERIES(R) 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 production problems, delays, unbudgeted expenses and inefficiencies that may result from the transition of manufacturing to Sanmina-SCI, difficulty of predicting sales to the company's major OEM customer, 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, including the company's new REO products, its competitors or its licensees, 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-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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10/07/2004

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