



Overland Storage Delivers LTO-3 Tape Drive Technology in Industry's Best-Selling Automation Solutions

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NEO SERIES With LTO-3 Increases Capacity, Improves Performance and Reduces Cost of Backup and Recovery

SAN DIEGO, Feb 23, 2005 /PRNewswire-FirstCall via COMTEX/ -- Overland Storage, Inc. (Nasdaq: OVRL), a leading provider of backup and recovery solutions, today announced the availability of LTO-3 tape drive technology in its award-winning NEO SERIES(R) tape libraries. The combination of LTO-3 technology and Overland's scalable, flexible and reliable NEO SERIES provides customers with unmatched capacity and performance in the industry's most popular midrange tape libraries.

"Now Overland provides an even broader array of solutions that span every price and performance requirement -- from the enterprise-class NEO 8000 with LTO-3 to the most cost-conscious autoloader," said Robert Scroop, vice president and general manager of automation products, Overland Storage. "Incorporating LTO-3 technology into our NEO tape libraries solidifies our commitment to offering the industry's most flexible, reliable and affordable data protection solutions."

Available initially in Overland's NEO 2000, NEO 4000 and NEO 8000 libraries, LTO-3 reduces costly downtime and eases backup procedures by providing the highest capacity, fastest tape drive technology available. In addition, only NEO libraries offer LTO-3 with write-once-read-many (WORM) capability, enabling customers to secure, manage and archive compliant data records, reducing the risk of costly non-compliance with government regulations.

As an added benefit, NEO libraries equipped with LTO-3 drives require fewer costly tape cartridges and enable the use of smaller, more cost-effective tape libraries, giving IT organizations the opportunity to redirect a portion of their data protection budgets to disk-based solutions such as Overland's REO SERIES. By doing so, customers can implement disk-to-disk-to-tape (D2D2T) solutions that combine the immediate restore capabilities of disk with the stability, portability and longevity of automated tape archival.

Delivering a 400 gigabyte native capacity per cartridge and a native transfer rate of 80 megabytes per second, LTO-3 provides the ultimate in capacity and performance. NEO libraries with LTO-3 provide users with the best technology in automated backup, recovery and archive, with capacities ranging from 12 terabytes to 1.6 petabytes, and performance ranging from 288 gigabytes per hour to 28 terabytes per hour.

NEO SERIES libraries with LTO-3 technology are available from Overland Storage partners worldwide. For more information, please visit www.overlandstorage.com.

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 delays, unbudgeted expenses, inefficiencies and production problems that may result from the transition of manufacturing to Sanmina-SCI; difficulty of predicting sales to the company's major OEM customer; worldwide information technology spending levels; unexpected shortages of critical components; rescheduling or cancellation of customer orders; loss of a major customer; the market acceptance of the company's REO product line, the timing and market acceptance of new product introductions by the company, including the company's new software PACs, competitors or licensees of the company; 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 general 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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SOURCE Overland Storage

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