



## Overland Storage Named Disk-to-Disk Backup Systems Leader

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### Patent-Pending Dynamic Virtual Tape(TM) Cited as Key Differentiator

SAN DIEGO, March 29, 2005 /PRNewswire-FirstCall via COMTEX/ -- Overland Storage, Inc. (Nasdaq: OVRL), a leading provider of backup and recovery solutions, has shipped an industry-leading volume of disk-to-disk (D2D) backup systems, according to a March report published by Enterprise Strategy Group (ESG). The report also addresses dramatic shifts occurring in the mid-range storage market, stating that "Overland is in a position to offer both disk and tape solutions to satisfy customers' evolving data protection needs."

"According to our research, nearly 80 percent of IT professionals surveyed expect disk-based solutions to improve their backup and recovery processes," said Peter Gerr, senior analyst, Enterprise Strategy Group. "The easy-to-configure, easy-to-use REO enhances the reliability of backups while decreasing the time it takes to perform them, provides near-instantaneous restores, and can relieve some of the operational burden from backup administrators' plates. These benefits, combined with the enhancements found in Overland's add-on software modules, have propelled REO to a leadership position in the marketplace."

"Growing numbers of organizations are searching for ways to improve the efficiency of their backup and recovery operations while simultaneously decreasing complexity," said Christopher Calisi, president and chief executive officer, Overland Storage. "Providing the benefits of disk without the risk, the powerful, simple and flexible REO delivers what the market is demanding, as evidenced by the shipment of more than 1,000 units to date. ESG and other industry-watchers acknowledge REO's impact on the industry."

In addition to naming Overland Storage as the leader in disk-based backup and recovery systems, the report also cites Overland's patent-pending Dynamic Virtual Tape(TM) (DVT) technology as a key differentiator. DVT allows in-place backup software to automatically allocate the disk space needed for each backup job, eliminating manual volume sizing and resizing, file system management, defragmentation, and other administrative tasks typically associated with disk-based backup. According to ESG, "DVT is the type of feature that helps Overland's REO deliver on the promised benefits of virtual tape to a higher degree than most."

The full text of the ESG report can be found at [www.overlandstorage.com/d2dleader](http://www.overlandstorage.com/d2dleader)

#### About the REO SERIES

The REO SERIES is a family of software-enhanced, backup-to-disk appliances that eliminate the two most common causes of backup reruns -- media failures and human error -- while providing split-second file recovery. The REO stores data on RAID disk, minimizing concerns of data loss, contamination or damage. When deployed with an Overland Storage NEO SERIES tape library, the REO is the ideal foundation for disk-to-disk-to-tape strategies.

#### 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](http://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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