



Overland Storage Delivers Next-Generation Protection OS for REO SERIES With Built-In Virtual Tape Library Functionality

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Enhanced Software Provides New Levels of Flexibility and Virtualization at an Industry-Leading Price

SAN DIEGO, June 30 /PRNewswire-FirstCall/ -- Overland Storage, Inc. (Nasdaq: OVRL) continues to simplify disk-based backup and recovery by introducing REO Protection OS(TM), an enhanced version of the highly intelligent core software for the award-winning REO SERIES(TM) of disk-based backup and recovery appliances. As an added value, REO Protection OS now includes Overland's virtual tape, dynamic virtual tape, and its newest addition, full tape library emulation, all of which are delivered at an industry-leading price point. As a result, the REO SERIES provides fast, reliable and feature-rich disk-based backup and recovery at the best value of any product in its class.

Unlike other disk-based backup systems, REO Protection OS delivers embedded data protection intelligence including sophisticated virtualization, management and connectivity features. In addition, the built-in virtual tape library (VTL) functionality allows the REO to be configured as any combination of virtual tape libraries, virtual tape drives and/or disk volumes, providing maximum flexibility while preserving the initial hardware investment. Together, these features give REO the best price-to-performance ratio of any comparable product.

"Today's mid-range organizations continue to struggle with a number of data protection challenges, such as skyrocketing data volumes, regulatory compliance and disaster recovery. That's why Overland's customers and partners have asked us to extend the REO's flexibility and virtualization capabilities to include tape libraries, while still maintaining its exceptional value," said Michael Kerman, vice president, appliance business unit, Overland Storage. "By introducing REO Protection OS with built-in VTL, Overland is once again delivering just what our customers and partners are asking for."

REO Protection OS serves as a foundation for enhanced functionality, which is easily deployed to REO SERIES appliances through existing and future software PACs. This flexible architecture enables storage professionals to integrate new functionality while retaining a single, stable REO hardware platform. In addition, customers currently using physical tape libraries can easily implement REO disk-based appliances without changing their backup policies or procedures. The combination of disk-based appliances, VTL functionality and a physical tape library allows customers to streamline management and maximize available storage capacity.

"The new Overland REO Protection OS simplifies the introduction of disk-based backup into existing environments and delivers what our customers are asking for -- a flexible storage solution that offers fast access to backup data, seamless compatibility and minimal management overhead," said Howie Evans, vice president, Dallas Digital Services. "By adding VTL support, Overland Storage continues to provide market leadership with the REO product line."

"The REO 9000(TM) was already one of the easiest disk-to-disk (D2D) backup solutions we have ever analyzed, and its new VTL support takes this one step further," said Tony Asaro, senior analyst for the Enterprise Strategy Group. "Customers want easy-to-manage and transparent appliances to perform backups to disk systems. The Overland REO is exactly that with unique functionality and attractive pricing. Overland has more implementations than any other purpose-built solution because of its ease-of-use and Protection OS capabilities, including dynamic virtual capacity, backup data mirroring, virtual tape emulation and now free VTL support."

About REO Protection OS

With Protection OS, REO SERIES users enjoy unmatched flexibility to best meet their backup and recovery needs. Features include:

* **Flexible Functionality** -- A single REO SERIES appliance can be easily configured as a virtual tape library with up to 32 virtual drives, 180 virtual cartridges, and four library partitions and/or as up to 64 disk volumes (LUNs) and/or dynamic virtual tape drives. This enables storage managers to easily configure the REO to match current and future data protection requirements.

* **Easy Integration** -- Adapts to an organization's operations by virtue of its flexible configuration options and compatibility with all popular open systems and Windows-based backup software, physical tape drives or libraries. Existing backup software manages the REO, tracks and moves virtual tape cartridges and maintains retention policies. Easily connects to Ethernet (iSCSI) or Fibre Channel networks for seamless integration into existing backup environments.

* **Dynamic Virtual Tape** -- Patent pending technology ensures that no storage capacity is wasted and eliminates the guesswork of sizing, configuring, and provisioning virtual tape cartridges. Allows users to create virtual tape cartridges that automatically expand or shrink as needed to match the exact capacity requirements of the backup operation.

* **Investment Protection** -- Protection OS allows the REO SERIES hardware platform to be easily enhanced via current and future software PAC options (e.g. Overland REO Multi-SitePAC).

* **Browser-based Management** -- Protection OS provides proactive monitoring capability, event notification via e-mail, and remote management to reduce administrative overhead and free IT resources for other projects.

About Overland Storage

For nearly 25 years, Overland Storage has delivered world-class data protection solutions designed to ensure business continuity. Focused on backup and recovery, Overland's award-winning data protection solutions include the REO SERIES(TM) of disk-based backup and recovery appliances and the NEO SERIES(TM) of tape libraries. Overland Storage sells its products worldwide through leading OEMs, commercial distributors, storage integrators and value-added resellers. For more information, visit Overland's web site 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; delays in new product introductions by the company, including the company's new software PACs and REO operating system; the timing and market acceptance of new product introductions by competitors; 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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CONTACT: Melinda Hutcheon, PR Manager of Overland Storage, Inc., +1-858-495-4187, mhutcheon@overlandstorage.com; or Jamie Ernst of Brodeur, +1-210-495-5757, jernst@brodeur.com, for Overland Storage

Web site: <http://www.overlandstorage.com>