



Overland's Active SRM Software Saves Interstate Batteries More Than \$100,000

June 17, 2003

SAN DIEGO, June 17, 2003 – Overland Storage, Inc. (NASDAQ: OVRL), a leading provider of storage solutions, today announced that Interstate Batteries, a Dallas-based battery marketer and distributor, has installed Overland's active Storage Resource Manager (SRM) software. Interstate Batteries uses the heterogeneous storage resource management solution to maintain storage flexibility, establish policies that match business needs and increase network reliability.

"Overland's active SRM is a crucial tool that enables IT departments to both quantify and manage rapidly growing data storage," said John Cloyd, vice president of Overland's storage management business unit. "The data grooming abilities in Overland's active SRM can recover significant storage space and then keep it free from unnecessary files, saving IT personnel both time and money."

Interstate Batteries selected Overland SRM over competing software tools for its ability to operate in multi-vendor, multi-platform environments. Overland SRM has been running on Interstate Batteries' network for 6 months, and the company realized an immediate ROI.

"Our ROI from implementing Overland SRM has led to a recovery of 20 percent of our file and print volume at a value of \$105,000," said Bob Blencowe, senior manager, technology and operations for Interstate Batteries. "The majority of the recovery was within the first two weeks of implementation. Overland SRM is now used in an ongoing basis for threshold monitoring and trend analysis of our critical volumes."

"This enterprise installation demonstrates the power of Overland's active SRM," said Merrill Likes, president of UpTime, an Overland solutions reseller. "Overland's SRM solution is the only product in the market that offered Interstate Batteries the ability to manage their storage efficiently and effectively."

Overland's browser-based active SRM 3 supports Windows NT/2000, Novell Netware, Sun Solaris, AIX, HP-UX and Linux operating environments, and is fully compatible with all leading brands of server/storage products. Overland SRM is designed to help businesses reduce their costs of acquiring and managing their IT storage by providing the tools that enable the development of automated storage management, invariably reducing cost.

Overland active SRM product benefits include:

- Easy to use browser-based user interface
- Fast, non-intrusive installation with automatic push agents
- Full compatibility with all popular operating environments
- Automated data discovery with a rich suite of standard reports
- Customized powerful reporting capability
- Automated reporting, trend analysis, threshold setting/monitoring, and automatic alarm notification for when policies are breached or thresholds are crossed
- Quota-based storage management
- Comprehensive notification tools such as SNMP, email, pager and pop-up messages

Overland Storage products are available through leading storage partners worldwide. To find the one nearest you or for more information on Overland's SRM software, please call 1-800-729-8725 or visit www.overlandstorage.com.

About Overland Storage

Overland Storage, Inc. (NASDAQ: OVRL) is a leading global supplier of innovative hardware and software storage solutions for mid-range computer networks. The Company delivers high availability products, including award-winning automated storage libraries that set the standard for intelligent, automated and scalable storage. Overland 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.

About Interstate Batteries:

Interstate Batteries was founded in 1952 and is based in Dallas, Texas. Today Interstate is the top selling replacement brand automotive battery in North America, selling about 12 million units annually through their 317 distributors and more than 200,000 accounts throughout the United States, Canada and select international locations. Interstate All Battery Centers, which offer Every Battery for Every Need including batteries for camcorders, lap tops, watches, computer backups, security alarms, medical equipment, mobile and cordless phones, pagers and thousands more applications, are located in 23 states. And many of these batteries can be ordered at www.interstatebatteries.com where customers can also find the nearest Interstate Batteries dealer.

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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 continuing transitional issues at 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 software 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.