



Overland Storage Names George Karabatsos Vice President of Sales

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Former StorageTek Executive Brings More Than 20 Years of Sales Experience
to Protected Storage Leader

SAN DIEGO, Aug. 10 /PRNewswire-FirstCall/ -- Overland Storage, Inc. (Nasdaq: OVRL) today announced the appointment of George Karabatsos to its executive team as vice president of worldwide sales. Karabatsos will oversee the organization's global sales efforts; further strengthen the company's relationships with its partners; and drive revenue growth across the company's range of cost-effective, end-to-end protected storage solutions.

"We are thrilled to add someone of George's caliber to our already strong executive team," said Christopher Calisi, president and CEO, Overland Storage. "His 20-year track record of successfully building and managing high-performance, results-driven channel sales organizations makes him the ideal choice for Overland Storage -- particularly as we prepare to enter the protected primary storage market."

Karabatsos comes to Overland Storage from StorageTek, where he was vice president, reseller channel sales and marketing. During that time, he doubled the company's channel business and was named a VAR executive of the year by VARBusiness. Karabatsos also re-engineered StorageTek's North American channel business model and managed the company's field sales organization.

"As an indirect-only sales organization, Overland Storage has built incredibly strong relationships with its partners," Karabatsos said. "Overland's loyal resellers and distributors will become even more critical as the company continues to deliver new, innovative solutions for today's most pressing data protection challenges. I look forward to further developing Overland's partner relationships."

Prior to joining StorageTek in 2001, Karabatsos spent more than 10 years at Seagate Technology Corporation, where he held a number of executive management positions in sales and marketing, including vice president of the Americas distribution channel and vice president of OEM sales. Prior to that, he held management and sales positions with Maxtor, Memorex and Verbatim. Karabatsos holds a bachelors degree in social science from San Jose State University.

About Overland Storage

Now in its 25th year, Overland Storage is a market leader and innovative provider of simply protected storage solutions -- smart data protection appliances and software modules designed to work together, affordably, to ensure that information is automatically safe, readily available and always there. 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 sells its products 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 risks and uncertainties associated with the company's acquisition of Zetta Systems, Inc., including possible integration difficulties and successful execution of the business plan to make the acquisition accretive to the company's operating results by the first quarter of fiscal year 2007; possible delays in new product introductions by the company including the new primary storage appliance to be based on the Zetta software, the company's next generation tape library platform and enhancements to its REO line; market acceptance of the company's new product offerings; the timing and market acceptance of new product introductions by competitors; the speed at which HP transitions from the products it currently buys from the company to its next-generation products to be purchased from another vendor; delays, unbudgeted expenses, inefficiencies and production problems that may result from the transition of manufacturing to Sanmina-SCI; worldwide information technology spending levels; unexpected shortages of critical components; rescheduling or cancellation of customer orders; loss of a major customer; 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 currently on file with the SEC. 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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