



ESG Confirms Overland's REO SERIES Significantly Improves Backup and Recovery Performance and Reliability

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Exclusive ESG Webinar Will Discuss Benefits of D2D Backup Using REO 9000

SAN DIEGO, Dec. 6 /PRNewswire-FirstCall/ -- Overland Storage, Inc. (Nasdaq: OVRL) today announced that an Enterprise Strategy Group (ESG) study validates the backup and recovery performance of its REO 9000(TM). According to ESG research, backup and recovery performance are the top two priorities for IT departments. ESG's testing demonstrates that the Overland Storage REO SERIES(TM) can cut backup time in half compared to tape, while providing instant restores. As a result, the REO 9000 helps ensure that information is automatically safe, readily available and always there.

ESG analysts Tony Asaro and Brian Garrett tested the backup and recovery performance of the REO 9000 under various conditions. In every case, the REO 9000 demonstrated improved backup and recovery performance, as well as increased reliability. Results include:

- REO 9000 iSCSI backup to virtual tape is twice as fast as backup up to physical tape
- REO 9000 iSCSI multi-stream performance is 10 times faster than single-stream physical tape
- Single-file restores from the REO 9000 take just one second, while comparable restores from physical tape take more than three minutes

The Overland REO SERIES "combine ease of use, cost efficiency, flexibility and performance," Asaro and Garrett said in their report. "IT departments can reduce cost, minimize human error, and have a better chance of meeting and exceeding recovery SLA's [service level agreements] using a REO D2D backup appliance."

ESG also reports the following benefits of using the REO 9000, based on hands-on testing:

- Improved backup and recovery reliability and performance
- Decrease in media, human and mechanical errors
- Easy to configure as a virtual tape library, standalone tape drives and/or disk volumes (LUNs), which allows the user to decide what method is best for their environment
- Easy integration into existing Ethernet (iSCSI) or Fibre Channel backup environments
- Investment protection through additional functionality of future software options
- Cost effective and easy to use

The REO SERIES is the ideal foundation for disk-to-disk-to-tape environments when combined with the Overland NEO SERIES(TM) libraries. REO 9000 is Overland's highest capacity backup and recovery appliance, capable of storing approximately 40 terabytes of data. ESG estimates that 74 percent of customers are interested in combining disk and tape, and finds that using backup software to store data to the REO 9000 and then move it to tape for offsite and long-term archival is "very easy."

On Wednesday, Dec. 7, 2005 at 2 p.m. EST, Tony Asaro will discuss how D2D backup solves many of the challenges of today's backup and recovery environments, attendees will receive a complimentary copy of the REO 9000 lab report. Register for this exclusive Webinar online at: <https://overlandstorage.webex.com/overlandstorage/onstage/g.php?d=755581122&t=a>

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 ULTAMUS SERIES(TM) of protected primary storage appliances; the REO SERIES(TM) of disk-based backup and recovery appliances; and the NEO SERIES(R) 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 worldwide information technology spending levels; unexpected shortages of critical components; rescheduling or cancellation of customer orders; the timing and market acceptance of new product introductions by competitors; 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 and other disclosure 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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