Overland Storage Offers SMBs Highly Affordable D2D Data Protection With New REO 1500 Disk-Based Backup, Recovery and VTL Appliance

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Entry-Level REO Delivers Five-Fold Performance Boost, Six VTLs, 2 TBs of Raw Capacity, Secure Management, iSCSI and RoHS Compliance

SAN DIEGO, March 19 /PRNewswire-FirstCall/ -- Overland Storage, Inc. (Nasdaq: OVRL) today introduced the REO(TM) 1500, the latest addition to its best-selling and field-proven REO SERIES(R) of disk-based backup, recovery and virtual tape library (VTL) appliances. Ideally suited for small to medium-sized businesses (SMBs) or distributed enterprises, the REO 1500 ensures reliable, unattended backups and near-instantaneous file recovery in an easy-to-use, economical and versatile appliance.

Overland's REO 1500 extends the capabilities of its predecessor REO 1000 to deliver new levels of flexibility and performance, including five-times faster backups as well as expedited restores of up to 2TBs of vital data. The entry-level model also includes version 4.0 of Overland's REO Protection OS(TM) software for enhanced data protection intelligence and a more comprehensive set of options involving any combination of up to six VTLs, 32 virtual tape drives and 512 virtual cartridges. In addition, the REO 1500 offers many industry-leading features, such as:

- Compact 1U base unit holds 4x250 or 500GB SATA II drives;
- RAID 5 data protection;
- HTTPS secure management to streamline remote monitoring;
- Conforms to European Union RoHS compliance requirements;
- iSCSI connectivity; and
- Intuitive, browser-based GUI for simplified configuration and management.

"The REO 1500 will play a crucial role in helping small and medium-sized businesses solve the many problems caused by exponential data growth, shrinking backup windows and the growing demand for accelerated recovery," says Michael Kerman, vice president and chief strategy officer of Overland Storage. "Additionally, the REO 1500 will accelerate the integration of complementary disk-to-disk-to-tape (D2D2T) data protection by easing the deployment challenges and reducing the cost of disk- and tape-based tiered storage solutions."

For iSystems LLC, creators of the Evolution Payroll and Tax Management system for payroll service bureaus, protecting vital financial reporting data is a top business priority. The Colchester, Vt.-based company, which is co-located with sister organization PayData, one of the largest independent payroll service providers in the Northeast, relies on real-time replication to mirror daily payroll processing. Over time, nightly full backups of the replicated data became increasingly laborious, taking more than 14 hours to complete and up to six hours a week to manage.

According to Ben Loscalzo, IT manager for iSystems, the idea of using disk-to-disk-to-tape (D2D2T) data protection to reduce its backup window was appealing but considered cost prohibitive. "We didn't think D2D2T backup and recovery fit our budget, so online vaulting and other tape-based solutions were evaluated," he explains. "Fortunately our research brought us to Overland and we discovered that the REO 1500, combined with Overland's ARCvault 12 tape autoloader, gave us all the D2D2T functionality we required -- at a price we could afford. Nothing beats the flexibility of using the REO's VTLs as well as dynamic virtual tapes that automatically expand or shrink depending on our needs." With its highly economical REO/ARCvault combination, iSystems has slashed its backup window while significantly reducing administrative overhead.

In addition to lowering the barriers to entry for powerful yet affordable D2D2T backup and recovery, Overland's REO 1500 has numerous advantages over other general-purpose disk-based backup systems. For example, the REO 1500 is not susceptible to common problems such as disk fragmentation, viruses, manual volume management, hackers, ongoing tuning or file system overhead. Additionally, only REO SERIES appliances incorporate Overland's patent-pending Dynamic Virtual Tape(TM) (DVT) technology, which eliminates the manual effort and guesswork of sizing, configuring, provisioning and deleting virtual tape cartridges. "Overland's Dynamic Virtual Tape is a unique and highly valuable feature that enables greater capacity utilization while simplifying management," says Brian Garrett, industry analyst for the Enterprise Strategy Group.

Availability and Pricing

Overland's REO 1500 now is available from Overland partners worldwide for a starting MSRP of $5,543.

About Overland Storage

Now in its 26th 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(R) of disk-based backup, recovery and VTL appliances; and the NEO SERIES(R) and ARCvault(TM) tape automation solutions. 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," "estimates," expects," "projects," 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 related to the acquisition; possible delays in new product introductions and shipments by the company including the new ULTAMUS and ARCvault lines, including versions subject to the company's new OEM contracts; possible delays in enhancements to the company's 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 update publicly any forward-looking statements to reflect new information, events or circumstances after the date of this release.

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