

## Overland Storage Delivers Next-Generation REO 9100 D2D VTL With Industry- Leading Performance, Capacity and Configuration Flexibility

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## World-Renowned Animal Shelter Adopts Top-of-the-Line REO VTL Appliance to Cut its Backup Window in Half and Reduce Overhead by 90 Percent

SAN DIEGO, June 4 /PRNewswire-FirstCall/ -- Overland Storage, Inc. (Nasdaq: OVRL) today announced the REO(TM) 9100, the latest generation of its best-selling REO SERIES(R) of disk-based backup, recovery and virtual tape library (VTL) appliances. The REO 9100 doubles the performance of its predecessor, the award-winning REO 9000, to solve the ever-increasing backup and recovery challenges of small to medium-sized businesses as well as distributed enterprises worldwide.

Overland's REO 9100 provides superior data backup and recovery while substantially lowering administrative costs. The newest model leverages the proven design of the REO family to provide flexible functionality when configured as a VTL, standalone virtual tape drives and/or disk volumes (LUNs). The REO 9100 includes patent-pending Dynamic Virtual Tape(TM) (DVT) technology, which features intelligent provisioning for optimized capacity utilization of both virtual and physical tape cartridges.

Additionally, the REO 9100 includes a broad array of advanced features and capabilities, such as:

- -- Dual next-generation 3Ware SATA RAID controllers;
- -- Multiple 4 Gb/second Fibre Channel or iSCSI host connectivity;
- -- Up to 66 TB of raw data capacity;
- -- User-definable VTL with up to 32 virtual tape drives, up to 180 virtual cartridges and up to four library partitions;
- -- RAID 5 protection;
- -- Near-instantaneous data recovery using direct access disk technology;
- -- Conformance with European Union RoHS compliance requirements; and
- -- Robust, web-based set-up and proactive monitoring.

"The 9100 takes REO performance to the next level with blazing speed, tremendous capacity and completely intuitive set-up and operation," says Michael Kerman, vice president of worldwide marketing and chief strategy officer for Overland Storage. "This latest addition to the REO SERIES is the quickest, simplest answer to fixing tough backup and recovery problems all at once."

For North Shore Animal League (NSAL), the world's largest no-kill pet rescue and animal adoption agency, based in Port Washington, N.Y., the need to shave hours off a limited backup window while reducing reliance on tape for near-term data retention led to an evaluation of leading VTL appliances. In reviewing solutions with sufficient scalability to house up to a year's worth of backups totaling more than 12 TBs of data, NSAL's IT team discovered that cost and complexity rose along with capacity. Most enterprise VTLs had six- figure price tags, which were beyond the reach of the budget-constrained non- profit organization while also lacking the configuration flexibility desired.

According to Joseph Sanfilippo, IT manager for North Shore Animal League, the REO 9100 stood out for its flexibility, scalability and affordability. "We really liked that we could use the VTL and carve out disk volumes at the same time," says Sanfilippo. "And, REO 9100 costs a fraction of the price of enterprise VTLs." In deploying REO 9100 as a VTL, NSAL expects to cut its back-up window in half while reducing administrative overhead by more than 90 percent. In addition, the league has created a 2-TB disk LUN as a repository for projects, testing and interim end-user data. "With Overland's REO 9100, we can easily handle sudden growth and temporary storage as we have more options than ever to transform our data protection strategies," he adds. "We anticipate ROI within a couple of months. For a non-profit organization seeking the best product at the best value, it doesn't get better than the REO 9100."

Overland's REO SERIES boasts numerous advantages over other general- purpose disk-based backup systems. For example, REO includes REO Protection OS(TM) software, which embeds data protection intelligence for enabling a core set of volume and device virtualization, management and connectivity features. Additionally, REO disk appliances are not susceptible to common problems such as disk fragmentation, viruses, manual volume management, hackers, ongoing tuning or file system overhead. In fact, testing reinforced that REO Protection OS optimizes performance to the disk subsystem, providing a 100 percent performance increase versus slightly fragmented standard RAID systems.

## Availability and Pricing

Overland's REO 9100 now is available from Overland partners worldwide for a starting MSRP of \$28,041.

## 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(TM) RAID SERIES of affordable, high-capacity storage; REO SERIES(R) of disk-based backup, recovery and VTL appliances; and the NEO SERIES(R) and ARCvault(TM) SERIES 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 http://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," "hopes," "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 possible delays in new product introductions and shipments by the company including the new ULTAMUS and ARCvault product lines; possible delays in enhancements and new offerings in the company's REO line; market acceptance of the company's other new product offerings; the performance of the company's newly restructured management team; the timing and market acceptance of new product introductions by competitors; unexpected inventory charges resulting from the termination of the relationship with the company's former outsourced manufacturing partner; inefficiencies and excessive manufacturing costs in the early stages of the return of production to the company's San Diego facility; 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 Forms 10-K and 10-Q 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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