



Overland Storage Extends VTL Capacity to 114 TBs on Top-of-the-Line REO D2D Backup and Recovery Appliance with Hardware Compression

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Industry-Leading Performance, Capacity and Configuration Flexibility Facilitates Faster Backups and Restores while Increasing Disk-Based Data Retention

SAN DIEGO, Oct. 22 /PRNewswire-FirstCall/ -- Overland Storage, Inc. (Nasdaq: OVRL) today introduced the REO(R) 9100c, which adds hardware compression to the high-end model of the REO SERIES family of versatile, disk-based backup, recovery and virtual tape library (VTL) appliances. The new product delivers superior data backup, recovery and retention capabilities by doubling the amount of data that can be stored on the REO 9100 and connected expansion arrays.

The REO 9100c 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 combination of hardware compression with Overland's patent-pending Dynamic Virtual Tape(TM) (DVT) technology, which lets users create virtual tape cartridges that automatically expand or shrink to match capacity requirements, yields unprecedented VTL efficiencies and cost savings. More economical retention of data on disk conserves valuable power and rack space while also lowering administrative overhead.

In addition to hardware compression, the REO 9100c takes advantage of the advanced features and functionality on the 9100 platform, including:

- Up to 66 TBs of raw data capacity, which can be compressed to 114 TBs of usable virtual tape capacity;
- User-definable VTL with up to 32 virtual tape drives, 512 virtual cartridges and six library partitions;
- Dual next-generation SATA RAID controllers;
- Multiple 4 Gb/second Fibre Channel or iSCSI host connectivity;
- RAID 5 protection;
- Near-instantaneous data recovery using direct access disk technology; and
- Robust, web-based set-up and proactive monitoring.

"The REO 9100c is ideally suited for companies seeking an affordable and reliable solution for improving backup performance and reliability, expediting data recovery as well as increasing disk-based data retention," says Jeff Graham, senior product manager of Overland's REO SERIES. "When configured with Overland's unique DVT technology, the 9100c significantly lowers management time and overall costs as users can set the configuration once and remain confident that it's optimized for capacity use, eliminating the need to reconfigure the REO as their backup jobs grow or shrink."

According to Heidi Biggar, analyst at Enterprise Strategy Group, a recent survey found that 64 percent of respondents either have deployed or are intending to implement VTL solutions over the next 12 to 24 months. "More and more end users are turning to VTL for its backup performance, scalability, and ease of use and away from tape and the media management and associated costs that go along with that type of data protection infrastructure," she says. "By integrating hardware compression into its REO 9100 platform, Overland allows users to back up more data to the same amount of physical disk capacity."

Availability and Pricing

Overland's REO 9100c now is available from Overland partners worldwide for a starting MSRP of \$63,343.

About Overland Storage

Now in its 27th year, Overland Storage is a market leader and innovative provider of smart, affordable data protection appliances that help midrange and distributed enterprises ensure business-critical data is constantly protected, readily available and always there. Overland's award-winning products include NEO SERIES(R) and ARCvault(TM) tape libraries, REO SERIES(R) disk-based appliances with Virtual Tape Library (VTL) capabilities and ULTAMUS(TM) RAID high-performance, high-density storage. 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 charges resulting from the termination of the relationship with the company's former outsourced manufacturing partner; inefficiencies and excessive manufacturing costs in 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 periodic reports 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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