



Overland Enhances Award-Winning ARCvault Tape Automation Family with Improved Connectivity, Efficiency and Affordability

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ARCvault Wins Prestigious UK Award and Launches Optimized Backup, Recovery & Archive Solution via SAS Interfaces and LTO-4 HH Configurations

SAN DIEGO, July 9 /PRNewswire-FirstCall/ -- Overland Storage, Inc. (Nasdaq: OVRL) today announced that its ARCvault(TM) family of entry-level tape automation solutions has been enhanced with new Serial Attached SCSI (SAS) connectivity and LTO-4 HH tape drives. The technology advancements reinforce ARCvault's leading combination of storage capacity, features, reliability and affordability.

ARCvault 12 value-line autoloader, ARCvault 24 rack-optimized library and ARCvault 48 high-capacity tape library now are available with SAS interfaces for seamless compatibility with SAS-connected servers from major manufacturers such as HP, IBM and Dell. By combining the standardization and affordability of parallel SCSI with the simple connectivity of Fibre Channel, the ARCvault family delivers significant gains in efficiency, ease of use and reliability.

Additionally, the ARCvault family now supports LTO-4 HH SCSI technology, enabling users of ARCvault 24 and ARCvault 48 models to double their efficiency at a savings of 25 percent over existing LTO-4 configurations. The enhanced ARCvault family also complements Overland's NEO SERIES(R) tape libraries, REO SERIES(R) disk-based backup, ULTAMUS(R) RAID SAN storage and recently added Snap Server NAS appliances to deliver heightened, end-to-end data protection.

According to Peri Grover, director of product management for Overland's tape automation solutions, the latest enhancements to the ARCvault products upgrade the company's ability to meet the ever-growing needs of small-to- medium businesses (SMBs). "Overland remains focused on bringing SMBs affordable, easy-to-use, automated backup, disaster recovery and archive solutions," she said. "These important enhancements to the ARCvault line provide seamless connectivity to the latest and greatest server technology while also delivering improvements in price/performance to ensure our customers' data protection needs are met effectively and economically."

In validating ARCvault's benefits in a backup and archive environment, ARCvault 48 recently garnered a prestigious Editor's Choice award from Storage Magazine, a leading trade magazine in the United Kingdom. The recognition further reinforces the continuing market momentum of the entire ARCvault product line. Introduced in April 2007, ARCvault 48 provides up to 76.8 TBs of storage capacity in a compact 4u form factor. The high-capacity model further extends ARCvault's space-saving, ease-of-use and cost-of-ownership advantages to offer a robust yet highly affordable solution for long-term data retention.

In taking first-place honors at the coveted "Storries V" awards, Overland's ARCvault 48 surpassed other leading products from EMC, Emulex, NetApp, Pillar Data Systems and Symantec. Additionally, ARCvault 48 was rated superior to the Quantum Scalar 50 and Sun/StorageTek SL500 libraries. "The Storries have grown in significance and stature each year, as have the array of solutions that vendors are now offering end-users," explained Brian Wall, editor of Storage Magazine, which hosts the annual event. "This year was even more fiercely competitive, with an exceptional quality of products and services in the frame. Overland is to be congratulated for its outstanding achievement and success at the 2008 awards."

Availability and Pricing

The new ARCvault LTO-4 configurations are available now with a starting MSRP of \$5,168.

About Overland Storage

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, ULTAMUS(R) RAID SAN-based appliances and Snap Server NAS-based appliances. 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, satisfaction or disappointment with current prospects, as well as words such as "will," "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 the inherent and significant risks of integrating a new acquisition, possible delays in new product introductions and shipments; market acceptance of the company's new product offerings; the ability to maintain strong relationships with branded channel partners; the timing and market acceptance of new product introductions by competitors; worldwide information technology spending levels; unexpected shortages of critical components; rescheduling or cancellation of customer orders; loss of a major customer; 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 detailed from time to time in the company's filings with the Securities and Exchange Commission. 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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