Overland Storage Launches NEO E-Series Family of Tape Libraries With Embedded Functionality for Improved Price, Performance & Reliability

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End-to-End Data Protection Bolstered by Embedded Connectivity, Integrated Partitioning & Proactive Monitoring

SAN DIEGO, Feb. 9 /PRNewswire-FirstCall/ -- Overland Storage, Inc. (Nasdaq: OVRL) today announced the availability of the first models in its next-generation NEO SERIES line of scalable, automated tape libraries. The NEO E-Series libraries provide a host of embedded functionality along with simplified installation and operation to meet a wide range of demanding data protection and long-term archive requirements.

(Photo: http://www.newscom.com/cgi-bin/prnh/20090209/LA68070)

The NEO 2000E and NEO 4000E extend the reliability, serviceability and data availability of the award-winning NEO SERIES tape backup and archive solution. The NEO product line, which has earned a reputation for rock-solid performance and widespread compatibility, has been enhanced with a variety of embedded capabilities that reinforce technology leadership and investment protection. The new NEO E-Series enables embedded SCSI, FC and SAS connectivity, easing installations while ensuring connectivity with future interface technologies. Other embedded capabilities include:

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   --  Improved performance and feature support with enhanced processing
       power,
   --  Further investment protection via Integrated partitioning,
   --  More efficient data access due to improved mailslot functionality,
   --  Ease of management via remote diagnostics with proactive monitoring,
   --  Superior reliability and serviceability through the use of enhanced
       robotics, more efficient power supply and innovative library/drive
       interface.
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Additionally, the new NEO E-Series integrates easily with Overland's REO SERIES(R) of disk-based backup and recovery VTLs, Snap Server(R) NAS appliances, ULTAMUS(R) RAID SAN storage as well as other disk-based products.

According to Ravi Pendekanti, vice president of worldwide sales and marketing for Overland Storage, the latest enhancements to the NEO tape family strengthen the company's leadership in providing mid-range customers with affordable, scalable end-to-end data protection solutions. "Over the past decade, the NEO tape libraries have proven themselves as important assets in our customers' end-to-end data protection and archiving strategies," he says. "Therefore, it is imperative that we continue to add new features and functionality while leveraging NEO's highly regarded and trusted tape technology and proven product architecture."

In addition to enhancing reliability and serviceability, the NEO E-Series adds support for LTO HH tape drive technologies and direct-connect interfaces, lowering initial expenditures and enabling customers to add new capabilities over time while protecting their investments in tape-based backup and recovery.

According to Robert Amatruda, research director at IDC for tape and removable storage, the mid-range tape automation market is expected to exceed $1 billion in annual sales, with more than 100,000 units shipped in 2008. "The majority of companies still depend on tape for long-term archive and disaster recovery," he says. "Overland's new NEO E-Series, with its increased functionality, should integrate well with a company's existing disk-based solutions, and help companies meet recovery time and recovery point objectives (RTO/RPO) in both SAN and NAS environments."

With the new NEO E-Series, Overland's resellers are well positioned to provide their customers with expansion-on-demand and flexible functionality that scales easily to keep pace with increasing backup and archive needs. "Most of our customers use tape for handling backups or as an archive solution in a disk-to-disk-to-tape (D2D2T) scenario," explains Dan Peichel, vice president of sales for Peripheral Products Inc., a Plano, Tex.-based Overland channel partner. "We are extremely pleased to see Overland extend the capabilities of the well-established NEO platform, ensuring that this high-capacity, flexible product line remains a major part of our customer offerings for years to come."

Overland's NEO 2000E scales from 30 to 240 cartridges per module while the NEO 4000E scales from 60 to 240 cartridges. NEO2000E and 4000E can be scaled with each other in an almost limitless combination, providing a variety of capacity points to meet end user needs. Both tape library models are available now from Overland's channel partners worldwide with a starting MSRP of $12,333.

About Overland Storage

Overland Storage provides affordable end-to-end data protection solutions that are engineered to store smarter, protect faster and extend anywhere -- across networked storage, media types and multi-site environments. Overland Storage products include award-winning NEO SERIES(R) and ARCvault(R) tape libraries, REO SERIES(R) disk-based backup and recovery appliances with VTL capabilities, Snap Server(R) NAS appliances, and ULTAMUS(R) 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 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 "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: unexpected delays or costs related to the acquisition and integration of the Snap business; possible delays in new product introductions and shipments; failure to achieve desired benefits from cost-cutting measures; 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 periodic reports filed 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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