



***Press Release
For Immediate Release***

***VARBusiness Names Overland Storage's Karabatsos
Among Top 100 Channel Executives***

SAN DIEGO – April 5, 2006 – Overland Storage, Inc. (NASDAQ: OVRL) today announced that *VARBusiness* magazine named George Karabatsos, vice president of worldwide sales at Overland, as one of the publication's Top 100 Channel Executives.

Each year, the *VARBusiness* editorial team identifies the most partner-focused executives in the technology sector. These seasoned leaders have driven their organizations' channel strategies, established new and innovative partner programs, and delivered solid results for both their companies and their partners.

"As a channel-only company, Overland's commitment to its partners is unmatched. We deliver a comprehensive array of world-class data protection products with the best margins in the industry. As a result, our partners can confidently lead with Overland in deals of virtually any size," Karabatsos said. "This award is more than a personal accomplishment – it is a recognition of the many years Overland has spent helping its channel partners achieve success."

Karabatsos joined Overland Storage last fall, bringing with him a 20-year track record of successfully building and managing high-performance, results-driven channel sales organizations. He was most recently with StorageTek, where he served as vice president of reseller channel sales and marketing. During his tenure, he re-engineered the company's North American channel business model and doubled the company's channel business.

VARBusiness issues its Top 100 Channel Execs listing annually to assist VARs and integrators in assessing the industry's strongest vendors. *VARBusiness* also recently named Overland a Five-Star Vendor for the third consecutive year in its Annual Partner Program Guide.

The *VARBusiness* Top 100 Channel Execs feature appears in the April 3 issue and is online at:

<http://www.varbusiness.com/sections/main/2006channelexecs.jhtml;jsessionid=JEYVM BZBWVSQ4QSNDBCCCKHSCJUMEKJVN>.

About Overland Storage

Now in its 25th 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™ of protected primary storage appliances; the REO SERIES™ of disk-based backup and recovery appliances; and the NEO SERIES® of tape libraries. 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 line and the new tape automation platform currently under development, 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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