



## Major Commercial Fleets Committing to New KVH Broadband Airtime Plans

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**KVH's usage-based airtime plans provide the fastest possible mini-VSAT Broadband network speeds and innovative cloud-based bandwidth management tools**

MIDDLETOWN, R.I., Sept. 12, 2016 (GLOBE NEWSWIRE) -- KVH Industries, Inc., (Nasdaq:KVHI), is driving a sea change in the way that global maritime fleets are using broadband at sea. The company's usage-based airtime plans now represent a majority of users on KVH's global satellite network, mini-VSAT Broadband<sup>SM</sup>, which continues to be the market share leader in maritime VSAT.<sup>1</sup>

In recent months, many of KVH's largest and most important fleet customers have chosen usage-based plans—including Open plans, the newest set of usage-based airtime plans offered by KVH. Examples include:

- BW, one of the world's leading global maritime groups, reached agreement with KVH to switch from an unlimited airtime plan to KVH's Open plans for several LNG and LPG vessels that have TracPhone<sup>®</sup> V11-IP systems onboard.
- Seaspan, a leading independent owner, operator, and manager of containerships, opted for KVH's Open plans for global connectivity for 35 vessels, which have TracPhone V11-IP systems installed.
- SMIT Lamnalco, a major European maritime operator, selected and is currently conducting a field trial of KVH's mini-VSAT Broadband service with usage-based airtime plans for approximately 100 vessels. KVH's TracPhone V3-IP systems will be used on the vessels.

KVH's usage-based plans provide maritime customers with the fastest speeds on the network, regardless of how much data they have committed to on a monthly basis. This is in stark contrast to the standard practice in the maritime industry of offering speed-based plans, which deliver the fastest airtime speeds only to the customers buying the largest airtime packages.

"We are excited about the success of all of our usage-based plans, particularly the new Open plans," says Martin Kits van Heyningen, CEO of KVH. "When we introduced the Open plans nearly a year ago, our intent was to offer our customers the fastest possible speeds at reasonable prices while giving them control over their consumption with a set of new cloud-based bandwidth management tools. Both existing and new customers are adopting the plans, recognizing that they can control and manage costs, while fast data speeds enable them to operate more efficiently."

A key reason that global fleets are selecting KVH's Open plans, which can be used with KVH's TracPhone V7-IP and TracPhone V11-IP, is the improved user experience of having consistent broadband data speeds of 3-4 Mbps. With competing VSAT service providers, research has shown that broadband connection speeds for a vessel that typically uses 50 GB of data per month can average only 160 Kbps, not much faster than outdated dial-up connections.<sup>2</sup>

"With KVH's Open plans delivering speeds of 3-4 Mbps, we can provide the average VSAT customer with a user experience that makes the service they've been getting from other providers seem like something out of the digital stone age," says Mr. Kits van Heyningen.

Transparency in bandwidth management is another of the keys to the success of KVH's usage-based plans. To ensure that vessel operators know exactly how much broadband data a given vessel is using, KVH developed a set of network management services as part of the myKVH<sup>TM</sup> web portal. This powerful, secure tool is designed to provide a simple way for ship operators and managers to monitor each vessel's data-usage status, allocate usage to individual users or tasks onboard, separate crew and operational data usage, and set email and SMS text alerts to help reduce the possibility of "bill shock."

KVH's complete maritime communications solution includes the mini-VSAT Broadband satellite network, which provides broadband connectivity to thousands of vessels worldwide; the TracPhone V-IP series advanced satellite communications antenna systems; the IP-MobileCast<sup>TM</sup> content delivery service for delivering operations and entertainment content to vessels via multicasting technology; leading news, sports, TV, movie, and music content from KVH Media Group; extensive maritime training programs from Videotel<sup>TM</sup>; and, the KVH OneCare<sup>TM</sup> comprehensive global support program. Taken together, the company refers to the complete solution under the Power of One<sup>TM</sup> banner.

*Note to Editors:* For more information about KVH's mini-VSAT Broadband service with usage-based airtime plans, visit the [KVH website](#). High-resolution images of KVH products are available at the [KVH Press Room Image Library](#).

<sup>1</sup>KVH is the world's No. 1 maritime VSAT supplier as measured by vessels equipped with mini-VSAT Broadband service, according to NSR's Maritime SATCOM Markets, 4<sup>th</sup> Edition, June 2016, and the COMSYS Maritime VSAT Report, 4<sup>th</sup> Edition, March 2015.

<sup>2</sup>"Understanding and Benefiting from Maritime Communications," November 2015, Dialog.

### About KVH Industries, Inc.

KVH Industries, Inc., is a leading provider of in-motion satellite TV and communications systems, having designed, manufactured, and sold more than 200,000 mobile satellite antennas for applications on vessels, vehicles, and aircraft. KVH is also a leading news, music, and entertainment content provider to many industries including maritime, retail, and leisure. Videotel, a KVH company, is a market-leading provider of training films, computer-based training and e-Learning. KVH is based in Middletown, RI, with research, development, and manufacturing operations in Middletown, RI, and Tinley Park, IL. The company's global presence includes offices in Belgium, Brazil, Cyprus, Denmark, Hong Kong, Japan, the Netherlands,

Norway, Singapore, and the United Kingdom.

This press release contains forward-looking statements that involve risks and uncertainties. For example, forward-looking statements include statements regarding our anticipated revenue, competitive positioning, profitability, product orders, and the functionality, characteristics, quality, and performance of KVH products and services. The actual results we achieve could differ materially from the statements made in this press release. Factors that might cause these differences include, but are not limited to: our competitive bid for the 100-vessel mini-VSAT Broadband contract described above is presently subject only to a letter of intent, which could expire without a definitive agreement or could result in an agreement with less favorable terms; we may not satisfy the minimum criteria set forth in the letter of intent; potential reduced sales to companies in or dependent upon the turbulent oil and gas industry; the impact of extended economic weakness on the sale and use of marine vessels; the need to increase sales of the TracPhone V-IP series products and related services to improve airtime gross margins; the need for, or delays in, qualification of products to customer or regulatory standards; unanticipated declines or changes in customer demand, due to economic, seasonal, and other factors, particularly with respect to the TracPhone V-IP series, including with respect to new pricing models; recent increases in airtime termination rates and lower unit sales in our mobile business; and increased price and service competition in the mobile communications markets. These and other factors are discussed in more detail in KVH's most recent Form 10-Q filed with the SEC. KVH does not assume any obligation to update its forward-looking statements to reflect new information and developments.

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