



KVH Industries Wins \$4.7 Million Contract to Equip Asian Armored Vehicles with TACNAV

December 12, 2000

MIDDLETOWN, R.I.--(BUSINESS WIRE)--Dec. 12, 2000--KVH Industries (Nasdaq: KVHI) announced today that the company has been awarded a contract to equip the new armored vehicles of an undisclosed Southeast Asian country with KVH's TACNAV(TM) tactical navigation systems. The contract, which is worth approximately \$4.7 million over two years, was awarded by the project's prime contractor, which will produce the vehicles in Europe.

"This latest contract for KVH's TACNAV systems is the company's first significant award for an Asian customer, opening the door to a very large military market," commented Christopher Burnett, KVH's vice president of business development. "We've had a lot of interest from customers in a variety of countries throughout the region, but their purchase decisions were delayed due to the economic fluctuations in Asia. With the economic situation stabilizing, we're now seeing customers move forward with their upgrade plans."

KVH TACNAV systems offers every vehicle and every force commander

- whether in a command, support, or combat vehicle - 100% availability of position and other tactical data, even if the signals from Global Positioning System (GPS) satellites are disrupted or jammed. In addition to interfacing with the onboard GPS, TACNAV consolidates vehicle location and azimuth, turret angle, and far target location into a single-point interface that can be transmitted via digital Battlefield Management Systems to the force commander and the other units in the field. KVH offers three TACNAV variations: TACNAV Light, for non-turreted vehicles; TACNAV TLS, which is fielded aboard turreted medium forces; and TACNAV FOG, which integrates KVH's fiber optic gyro (FOG) technology with GPS to create a dynamic target location and northpointing system for heavy armored forces.

"This is a milestone contract for KVH," continued Burnett, "as it marks the first time a single customer has used TACNAV and its variations as a modular system to meet the specific needs of a complete armored force. We developed the TACNAV family to serve as a GPS-aided navigation system for the entire spectrum of military vehicles. This contract supports our belief that our strategy is the right one going forward."

KVH's TACNAV product is the most widely fielded tactical navigation system in the world. The company's customers include many NATO countries, including the United States, Canada, Sweden, Britain, Spain and Italy.

"The acceptance of TACNAV among military forces worldwide is a testament to the system's versatility, value, and reliability," Burnett said. "The TACNAV system is used extensively on armored fighting vehicles in the NATO peacekeeping efforts in the Balkans. We have received numerous operational reports from these forces that TACNAV's improved far target location and continuous situational awareness capabilities have prevented friendly fire incidents while significantly enhancing precision border surveillance capabilities."

KVH Industries, Inc. is a leading provider of tactical navigation systems for military vehicles and advanced high bandwidth communications products. Using its proprietary fiber optic technology, the company is developing next generation systems with greater precision, durability, and versatility for communications, navigation, and OEM applications. Its headquarters are located in Middletown, Rhode Island.

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