



KVH Industries's TACNAV System Selected for Australian Army Light Armored Vehicles

January 8, 2001

MIDDLETOWN, R.I.--(BUSINESS WIRE)--Jan. 8, 2001--KVH Industries (Nasdaq:KVHI) announced today that it has received a \$3.2 million contract to supply KVH's TACNAV(TM) tactical navigation system to General Motors (GM) Defense for use aboard the Australian Army's Light Armored Vehicle (ASLAV) fleet. TACNAV will be incorporated as a retrofit into the existing fleet of Australian ASLAVs as well as be integrated within new production vehicles.

"This is the first sale for KVH into Australia and reflects the growing acceptance of KVH's TACNAV product family as the tactical navigation system of choice among armored forces worldwide," remarked Christopher Burnett, KVH's vice president of business development. "KVH has enjoyed a long and positive relationship with General Motors Defense. Working together, we've equipped the GM armored vehicles used by the U.S. Marine Corps, Canada, Saudi Arabia, and now Australia with TACNAV systems."

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'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," commented Burnett. "Right now, U.S., Canadian, and British armored forces in Kosovo depend on the same TACNAV systems to maintain uninterrupted situational awareness, reduce the possibility of fratricide, and enhance overall operational efficiency. We are pleased that TACNAV will be playing an even larger role in these vital operations worldwide."

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.

This press release may contain certain forward-looking statements that involve risks and uncertainties. The actual results realized by the Company could differ materially from the statements made herein. Factors that might cause such differences include, but are not limited to: failure to develop and market fiber optic products; lack of reliable vendors, service providers and outside products; continued poor military sales cycles; unforeseen changes in competing technologies and products; worldwide economic variances; and poor or delayed research and development results. Additional factors are discussed in the company's Annual Report on Form 10K filed with the Securities and Exchange Commission on March 27, 2000 and in the company's Form 10Q filed with the Securities and Exchange Commission on October 19, 2000. Copies are available through the company's Investor Relations Department or web site.

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CONTACT: KVH Industries, Inc.

Jim Dodez, 401-847-3327

jdodez@kvh.com