



## **KVH TACNAV-II Selected for French Army Vehicles**

May 11, 2001

MIDDLETOWN, R.I.--(BUSINESS WIRE)--May 11, 2001--KVH Industries (Nasdaq: KVHI) today announced they had received a contract from Giat Industries (France) to integrate the new KVH TACNAV-II Tactical Navigation System with Giat Industries's Systeme d'Information Terminal, (SIT-VI), Battlefield Management System (BMS). Giat Industries awarded this contract to KVH as part of an upgrade project for the French Army's AMX-10RC and VBL armored vehicles. The SIT-VI system will enable the exchange of digitized data between vehicle and command forces on the battlefield. KVH's contract is worth over \$2.7 million if all of the options are exercised.

"We are delighted to be working with Giat Industries to bring the benefits of our TACNAV-II system to the French Army," said KVH president and CEO, Martin Kits van Heyningen. "Our tactical navigation systems complement the U.S. Global Positioning System (GPS), overcoming GPS' vulnerabilities of being jammed or blocked, thereby providing continuous and highly accurate navigation data to both vehicle crews and modern battlefield management systems."

KVH's TACNAV-II is a fiber optic gyro-based tactical navigation system that is integrated with a vehicle's odometer, GPS, and BMS. The TACNAV-II combines GPS position data with its own built-in kalman filtered dead reckoning calculation using inputs from its fiber optic gyro, optional digital compass, and the vehicle's odometer. In the event that GPS is unavailable due to jamming or blockage, the KVH system seamlessly substitutes its calculated position for the missing GPS data. This important feature assures 100% availability of the navigation data that has become vital for modern battlefield maneuvers and critical to the effective performance of new digital battle management systems.

The TACNAV-II provides full two-way communications with the BMS. The system sends navigation data from the vehicle to the BMS, including the vehicle's current position, speed, and heading. It also has the ability to collect and forward data from the vehicle's laser rangefinder, which typically includes the range and bearing to designated targets. The BMS integrates inputs from all of the vehicles on the battlefield providing a concise overview of both friendly and opposition forces.

KVH's system will also accept commands transmitted from the BMS to provide navigation instructions directly to the vehicle crew. For example, a command could be sent directly to a vehicle driver to steer to a new checkpoint or steer in a particular direction. This feature allows the force commander to easily synchronize the maneuvers of all the vehicles on the battlefield, a significant tactical advantage.

Navigation, stabilized pointing and targeting data are provided directly to the vehicle commander and driver through TACNAV-II's new universal dot matrix displays. Displays are easily customized to provide essential data corresponding to the viewer's responsibilities. They can even provide data to crew members in their own language, facilitating their ability to quickly comprehend the displayed data.

"We've fielded more than 7,000 TACNAV systems with leading armed forces around the world, including those of the United States, Canada, United Kingdom, Saudi Arabia, Sweden, Spain, and Australia," commented Christopher Burnett, KVH vice president of business development. "We are happy to now be supplying the French Army, and are optimistic that this contract will lead to additional TACNAV-II awards for the French Army's new VBCI armored infantry combat vehicles."

Giat Industries (France), a European leader in land defense systems, design, produce and market complete combat systems, whether they be armoured systems (main battle tanks, recovery vehicles, information systems, logistic support, training, etc.) as well as weapon and ammunition systems (artillery, infantry, mining and mine clearing, associated munitions, logistic support, etc.). Additional information is available on the company's web site, [www.giat-industries.fr](http://www.giat-industries.fr).

KVH Industries, Inc., is a leading provider of tactical navigation systems for military vehicles. Using its proprietary fiber optic technology, the company is developing next-generation systems for broadband communications and navigation applications. Its headquarters are located in Middletown, Rhode Island. Additional information is available on the company's web site, [www.kvh.com](http://www.kvh.com).

Statements in this press release regarding future plans, events, performance and profitability levels are forward-looking statements and are subject to risks and uncertainties that could cause actual results to differ materially. The following are important factors, among others, that should be considered in evaluating any forward-looking statements: the company's actual revenue, sales order levels, overhead rates, expense levels, and audit adjustments during future quarters, general economic conditions, the level of government funding for defense programs, cancellation of weapons programs, delays in contract awards, the introduction of new products by, and pricing practices of, the company's competitors, and other risks identified in the company's SEC filings. Actual results may differ materially.

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